56390-1

ANNUAL REPORT

of the

OHIO DEPARTMENT OF TAXATION

for the

Fiscal Year Ending June 30, 1981

Prepared by the
Research and Statistics Section
Ohio Department of Taxation

STATE OF OHIO
DEPARTMENT OF TAXATION
STATE OFFICE TOWER
P. O. BOX 530
COLUMBUS, OHIO 43216

April 12, 1982

Honorable James A. Rhodes
Governor of Ohio
And Members of the
Ohio General Assembly

In compliance with Section 5703.42 of the Ohio Revised Code, it is my privilege to submit the 1981 Annual Report of the Ohio Department of Taxation.

This report contains descriptions and data for each of the state and local taxes administered by the Department and for the Energy Credit Program which the Department administers. In addition, sections have been included on real property taxes and on the local government funds. The text of the report pertains to laws in effect during fiscal year 1981 (July 1, 1980 through June 30, 1981) so that data and descriptions in the various sections are generally comparable. The sections summarizing recent legislation include bills enacted or effective during the fiscal year.

The assistance of personnel in the Department of Tax Equalization and the Board of Tax Appeals in preparing the sections on real estate taxes is gratefully acknowledged. We trust that the contents of this report will be of value and interest to the people of Ohio.

Respectfully submitted,

Edgar L. Lindley

Edgar L. Lindley
Tax Commissioner

OHIO DEPARTMENT OF TAXATION

Edgar L. Lindley
Tax Commissioner

Assistant Tax Commissioner
Norman W. Schmitt

Deputy Tax Commissioner
James O. Dayton

Administrative Secretaries
Sandra L. Edgar
Jeanette A. Levy

Administration

Budget & Fiscal Affairs	James O. Dayton
Computer Operations	Richard A. Yoakum
District Administrator	Fred H. Ahlborn
Information Systems	Dennis B. Winner
Legal	Donald S. Swepston
Personnel	S. V. Wilkins
Reproduction & Supply	Don K. Matson
Research & Statistics	Richard A. Levin
Security	Martin A. Winters

Sales & Excise Tax Division

Jurisdiction: Sales & Use Taxes, Highway Use and Motor Fuel Taxes, Severance Tax, and Excise Taxes on Cigarettes, Beverages, and Soft Drink Mixes

Administrator	Leon D. Deming
Assistant -- Technical Operations	Robert L. Henshaw
Assistant -- General Operations	K. Ray Taylor
Supervisors: Audit Review	C. Robert Edmonds
Central Audit	Charles W. Dozer
Excise and Audit Entry	Richard O. Beckner
Highway Use & Motor Fuel	Francis E. Healy
Sales	Lowell S. Rice

Estate Tax Division

Administrator	Joan E. Zuber
Administrative Assistant -- Legal	Dennis A. Valot
Administrative Assistant -- Operations	Joe Veffer
Inheritance Tax Supervisor	Mark R. Friedman

Property Tax Division

Jurisdiction: Personal Property, Intangible Property, and Financial Institutions Taxes

Administrator		Wilbur J. Margeson
Administrative Assistant		Charles L. Green
Supervisors:	Audit Review	Charles L. Green
	Corporate Compliance	Edwin C. Heinke, Jr.
	Financial Institutions	Michael L. Sachs
	Intangibles Tax	Jack W. Cook
	Property Tax	Robert H. Dudgeon
	Property Tax -- Audit Unit	Edward L. Gifford

Public Utility Tax Division

Jurisdiction: Public Utility Real and Personal Property, Public Utility Intangible Tax, and Public Utility Excise Tax

Administrator		James A. Witzel
Administrative Assistant		Keith H. Smith
Supervisors:	Audit	Louis J. Spisak
	Real Estate	Wallace E. Burkey

Income Tax Division

Jurisdiction: Individual Income Tax, Corporate Franchise Tax, and Energy Credit Program

Administrator		A. J. Catanzaro
Assistant --	General Operations	Thomas R. Nourse
Assistant --	Technical Operations	Stephen J. Nolan
Supervisors:	Audit Review	Charles E. Ortlieb
	Corporate Franchise Tax -- Audit	James J. Kamerick
	Energy Credit Program	Rodger L. Whaley
	Individual Income Tax -- Audit	Rodgers L. Way, Jr.
	Taxpayer Services	James J. Baumann

INCUMBENTS IN THE OFFICE OF TAX COMMISSIONER, AND GOVERNORS SERVED, 1939 -- PRESENT

Tax Commissioner	Term	Served Under Governor	Term
William S. Evatt	6/06/39 - 12/31/44	John W. Bricker	1/09/39 - 1/08/45
C. Emory Glander	1/01/45 - 1/31/51	Frank J. Lausche	1/08/45 - 1/13/47
"	" "	Thomas J. Herbert	1/13/47 - 1/10/49
"	" "	Frank J. Lausche	1/10/49 - 1/03/57
John W. Peck	2/01/51 - 1/31/54	"	" "
Stanley J. Bowers	2/01/54 - 4/14/63	"	" "
"	" "	John W. Brown	1/03/57 - 1/14/57
"	" "	C. William O'Neill	1/14/57 - 1/12/59
"	" "	Michael V. DiSalle	1/12/59 - 1/14/63
Louis J. Schneider	4/15/63 - 12/29/64	James A. Rhodes	1/14/63 - 1/11/71
Gerald A. Donahue	1/04/65 - 3/13/66	"	" "
Gail W. Porterfield	3/13/66 - 1/10/71	"	" "
Robert J. Kosydar	1/11/71 - 1/13/75	John J. Gilligan	1/11/71 - 1/13/75
Gerald S. Collins	1/13/75 - 8/28/75	James A. Rhodes	1/13/75 - Present
Edgar L. Lindley	9/11/75 - Present	"	" "

NOTE: Governor's term was increased from two years to four years, effective January, 1959. Tax Commissioner serves at pleasure of Governor, effective September, 1963 (previously served four-year term).

TABLE OF CONTENTS

DEPARTMENTAL ORGANIZATION AND REVENUE TOTALS

Administrative Personnel i
Tax Commissioners and Governors Served, 1939-Present ii
Organization Chart vi
Map of District Offices viii
Responsibilities and Organization of the Department 1
  Table 1: Staff Structure and Number of Employees 2
  Table 2: Expenditures of the Department of Taxation 2
  Table 3: Pollution Control Exemptions 4
  Table 4: Total Audit Production 4
  Table 5: Personal Property Tax Assessments 5
  Table 6: Sales and Excise Tax Assessments 5
  Table 7: Personal Income Tax and Corporate Franchise Tax Assessments 5
Revenue from Taxes Administered by the Tax Commissioner 6
  Table 8: Collections for Taxes Administered by the Tax Commissioner 7
  Figure 1: All Revenue Receipts of the State of Ohio 9
  Figure 2: General Revenue Fund Sources 10

SALES AND EXCISE TAX DIVISION

Sales and Use Tax: Explanatory Text 11
  Table 9: Collections by Type of Payment, FY 1977-1981 19
  Table 10: Number of Accounts 19
  Table 11: County Permissive Tax Collections by County, FY 1977-1981 20

Cigarette Tax: Explanatory Text 21
  Table 12: Credits and Cash Remittances 22

Alcoholic Beverage Taxes: Explanatory Text 23
  Table 13: Liability, Payments, and Credits 26
  Table 14: Liability, FY 1979-1981 26

Horse Racing Tax: Explanatory Text 27
  Table 15: Amount Wagered and Tax Collections, FY 1977-1981 30
  Table 16: Amount Wagered, Collections, and Allocations to Funds, by Meet 31

Severance Tax: Explanatory Text 32
  Table 17: Collections, 1979-1981 33

Motor Vehicle Fuel Tax: Explanatory Text 34
  Table 18: Gross Tax, Refunds, and Net Tax, FY 1977-1981 37
  Table 19: Taxable Gallons, FY 1977-1981 37
  Table 20: Taxes Distributed to Local Governments, by County 38

Highway Use Tax: Explanatory Text 39
  Table 21: Liability by Type of Permit Holder, FY 1976-1981 41
  Table 22: Liability by Type of Permit Holder and Tax Rate Classification 41
  Table 23: Permits and Mileage, by Tax Rate Classification 41

INCOME TAX DIVISION

Personal Income Tax: Explanatory Text 42
  Figure 3: 1979 Returns -- Percentage Distribution by Income Class 46
  Table 24: 1979 Returns -- By Income Class 47
  Table 25: Comparison of 1978 and 1979 Returns 48
  Table 26: Comparison of Percentage Distribution of 1978 and 1979 Returns 48
  Table 27: 1979 Returns -- All Filing Status Categories 49
  Table 28: 1979 Returns -- Married Joint Filing Status 49
  Table 29: 1979 Returns -- Single Filing Status 50

INCOME TAX DIVISION (cont'd):

Table 30: 1979 Returns -- Married Separate Filing Status 50
Table 31: 1979 Returns -- By Taxable Income Class 51
Table 32: 1979 Returns -- Claiming Joint Filer Credit 51
Table 33: 1979 Returns: By County 52
Table 34: 1979 Returns: Ranked by County Average Income 53
Table 35: Taxes Returned to Counties 54
Table 36: Returns Filed by Employers and Individuals, FY 1980-1981 55
Table 37: Collections by Month, FY 1981. 55

School District Income Tax: Explanatory Text 56

Corporation Franchise Tax: Explanatory Text 58
Table 38: Collections, FY 1977-1981 63
Table 39: 1980 Returns -- Number of Corporations and Liability, by Industry Class . . . 64
Table 40: 1980 Returns -- Number of Corporations and Liability, by Tax Class 65
Table 41: 1980 Returns -- Number of Manufacturing Corporations and Liability, by Industry Sub-Class 66
Table 42: 1980 Returns -- Number of Manufacturing Corporations and Liability, by Tax Class 67

Energy Credit Program: Explanatory Text 68
Table 43: Number of Applications, by County 69

PROPERTY TAX DIVISION

Tangible Personal Property Tax: Explanatory Text 70
Table 44: Assessed Value and Taxes, CY 1976-1980 73
Table 45: Taxes by Subdivision, CY 1976-1980 73
Table 46: Taxes in Cities, CY 1976-1980 73
Table 47: Assessed Value of Intercounty Corporations, by Industry 74
Table 48: Assessed Value by Class of Property, CY 1979-1980 74
Table 49: Listing Percentages, 1973-1982 74
Table 50: Assessed Value, Taxes, and Average Rates, by County 75
Table 51: Taxes Levied by School Districts, by County 76

Intangible Property Tax: Explanatory Text 77
Table 52: Taxes by Level of Collection and Distribution of Funds 83
Table 53: Taxes by Level of Collection and Form of Property CY 1976-1980 84
Table 54: Taxes by Form of Property, CY 1979-1980 85
Table 55: Taxes Levied for Local Government Purposes, by County 86

PUBLIC UTILITY TAX DIVISION

Public Utility Excise Tax: Explanatory Text 87
Table 56: Taxes Levied by Class of Utility, CY 1976-1980 90
Table 57: Taxes Levied by Principal Utility Classes, CY 1976-1980 91
Table 58: Charter City Deductions Allowed, CY 1976-1980 91

Public Utility Property Tax: Explanatory Text 92
Table 59: Assessed Value by Class of Utility, CY 1976-1980 95
Table 60: Assessed Value of Real and Personal Property, by Class of Utility 95
Table 61: Assessed Value of Real and Personal Property, by County 96

ESTATE TAX DIVISION

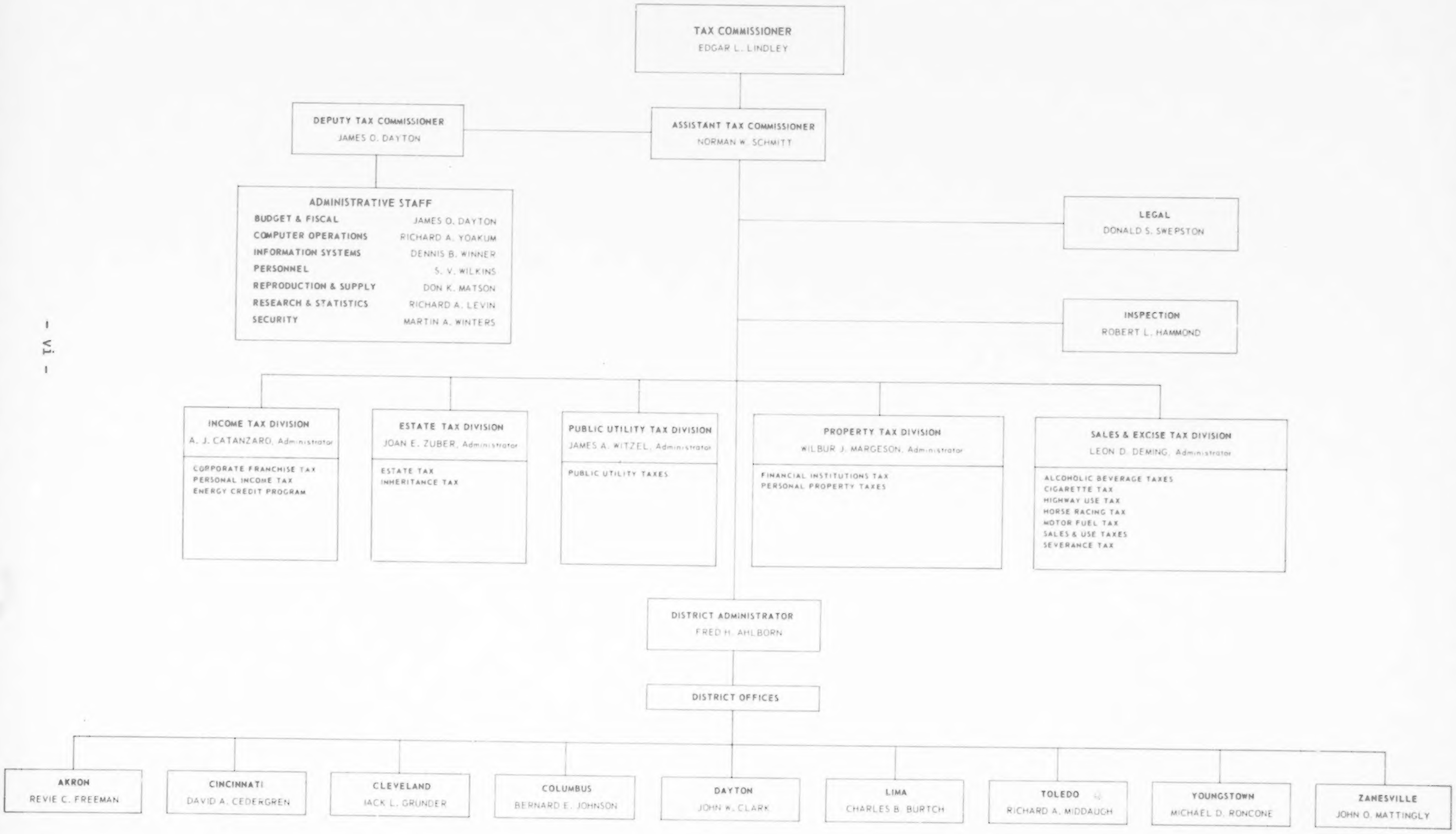
Estate Tax: Explanatory Text 97
Table 62: Distribution of Taxable Estates by Gross Valuation Brackets 102
Table 63: Distribution of Taxable Estates by Tax Rate Brackets 102
Table 64: Estates by Gross Value Brackets and Tax Rate Brackets 103
Table 65: Estates Over and Under $100,000 Gross Value, FY 1978-1981 104
Table 66: Estates Generating Tax, According to Amounts of Tax, FY 1980-1981 104
Table 67: Distribution of Taxable Estates, by County 105

ADDITIONAL STATE AND LOCAL REVENUE DATA

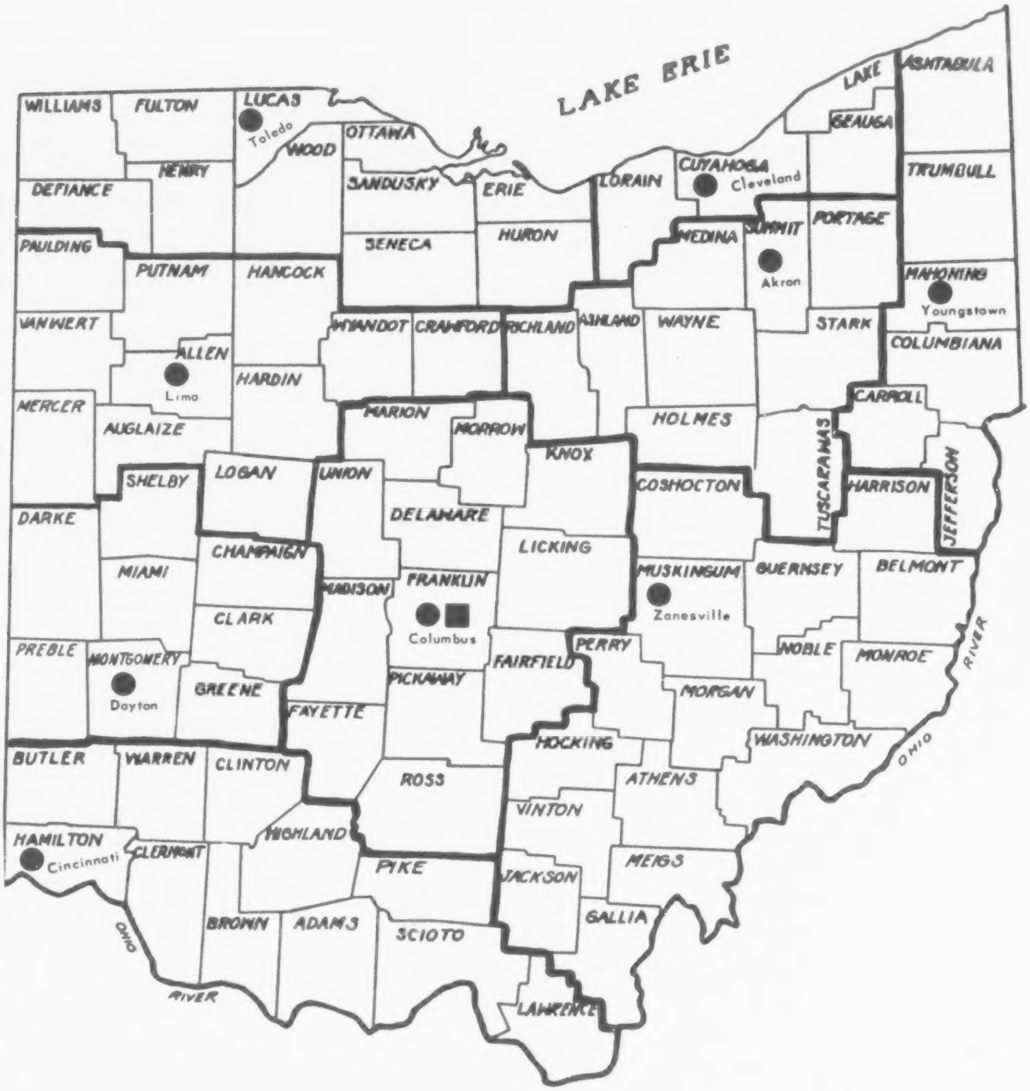
State and County Local Government Funds: Explanatory Text 109
- Table 68: State-Collected Revenues Distributed for General Local Government Purposes, CY 1976-1980 110
- Table 69: State Local Government Fund, by County 111
- Table 70: Intangible Taxes Returned for County Undivided Local Government Funds, by County 112
- Table 71: Distribution of County Undivided Local Governmen Fund, by County 113

Real Property Tax: Explanatory Text 114
- Table 72: Assessed Value, Taxes, and Relief, CY 1976-1980 120
- Table 73: Assessed Value Inside and Outside Municipalities, CY 1976-1980 121
- Table 74: Taxes, Values, and Average Effective Rates, by County 122
- Table 75: Taxes and Tax Relief, CY 1979, by County 123
- Table 76: Assessed Value of Exempt Property, CY 1976-1980 125
- Table 77: Assessed Value of Exempt Property, by County 126
- Table 78: Delinquent Real and Personal Property Taxes, by County 127
- Table 79: Homestead Exemptions, by County 128

OHIO DEPARTMENT OF TAXATION
ORGANIZATION CHART


TAX COMMISSIONER
EDGAR L. LINDLEY
DEPUTY TAX COMMISSIONER
JAMES O. DAYTON
ASSISTANT TAX COMMISSIONER
NORMAN W. SCHMITT
ADMINISTRATIVE STAFF
BUDGET & FISCAL — JAMES O. DAYTON
COMPUTER OPERATIONS — RICHARD A. YOAKUM
INFORMATION SYSTEMS — DENNIS B. WINNER
PERSONNEL — S. V. WILKINS
REPRODUCTION & SUPPLY — DON K. MATSON
RESEARCH & STATISTICS — RICHARD A. LEVIN
SECURITY — MARTIN A. WINTERS
LEGAL
DONALD S. SWEPSTON
INSPECTION
ROBERT L. HAMMOND
INCOME TAX DIVISION
A. J. CATANZARO, Administrator
CORPORATE FRANCHISE TAX
PERSONAL INCOME TAX
ENERGY CREDIT PROGRAM
ESTATE TAX DIVISION
JOAN E. ZUBER, Administrator
ESTATE TAX
INHERITANCE TAX
PUBLIC UTILITY TAX DIVISION
JAMES A. WITZEL, Administrator
PUBLIC UTILITY TAXES
PROPERTY TAX DIVISION
WILBUR J. MARGESON, Administrator
FINANCIAL INSTITUTIONS TAX
PERSONAL PROPERTY TAXES
SALES & EXCISE TAX DIVISION
LEON D. DEMING, Administrator
ALCOHOLIC BEVERAGE TAXES
CIGARETTE TAX
HIGHWAY USE TAX
HORSE RACING TAX
MOTOR FUEL TAX
SALES & USE TAXES
SEVERANCE TAX
DISTRICT ADMINISTRATOR
FRED H. AHLBORN
DISTRICT OFFICES
AKRON
REVIE C. FREEMAN
CINCINNATI
DAVID A. CEDERGREN
CLEVELAND
JACK L. GRUNDER
COLUMBUS
BERNARD E. JOHNSON
DAYTON
JOHN W. CLARK
LIMA
CHARLES B. BURTCH
TOLEDO
RICHARD A. MIDDAUGH
YOUNGSTOWN
MICHAEL D. RONCONE
ZANESVILLE
JOHN O. MATTINGLY

DISTRICT OFFICES OF THE OHIO DEPARTMENT OF TAXATION AND COUNTIES SERVED


LAKE ERIE
WILLIAMS
FULTON
LUCAS
Toledo
WOOD
OTTAWA
LAKE
ASHTABULA
GEAUGA
CUYAHOGA
Cleveland
LORAIN
TRUMBULL
DEFIANCE
HENRY
SANDUSKY
ERIE
SENECA
HURON
MEDINA
SUMMIT
Akron
PORTAGE
MAHONING
Youngstown
PAULDING
PUTNAM
HANCOCK
VAN WERT
WYANDOT
CRAWFORD
RICHLAND
ASHLAND
WAYNE
STARK
COLUMBIANA
ALLEN
Lima
HARDIN
MERCER
AUGLAIZE
MARION
MORROW
HOLMES
CARROLL
TUSCARAWAS
KNOX
SHELBY
LOGAN
UNION
COSHOCTON
HARRISON
JEFFERSON
DARKE
DELAWARE
LICKING
CHAMPAIGN
MIAMI
MADISON
FRANKLIN
Columbus
MUSKINGUM
Zanesville
GUERNSEY
BELMONT
CLARK
PREBLE
MONTGOMERY
Dayton
GREENE
FAIRFIELD
PERRY
NOBLE
MONROE
PICKAWAY
FAYETTE
MORGAN
WASHINGTON
OHIO RIVER
BUTLER
WARREN
CLINTON
HOCKING
ATHENS
ROSS
VINTON
HAMILTON
Cincinnati
CLERMONT
HIGHLAND
PIKE
JACKSON
MEIGS
BROWN
ADAMS
SCIOTO
GALLIA
LAWRENCE
OHIO
RIVER

● DISTRICT OFFICES

■ CENTRAL OFFICE

RESPONSIBILITIES AND ORGANIZATION

OF THE

OHIO DEPARTMENT OF TAXATION

The Ohio Revised Code (Section 5703.05) states that, "all powers, duties, and functions of the department of taxation are vested in and shall be performed by the tax commissioner . . ." The Tax Commissioner is appointed by the Governor, subject to confirmation by the Ohio Senate, and serves at the pleasure of the Governor. He is responsible for the administration of most state-collected taxes and several locally-collected taxes. In addition, the Tax Commissioner administers one non-tax program -- the energy credits program. This program reduces the winter heating bills of qualified individuals.

The Commissioner is empowered to make "all tax assessments, valuations, findings, determinations, computations, and orders" which the department is by law authorized and required to make, and to review, redetermine, or correct previous assessments, valuations, or findings. He also is charged with promulgating rules and regulations and preparing and distributing tax returns and other reporting forms. With respect to some taxes, he assigns taxpayers to appropriate tax payment schedules, determines amounts due from them in the form of advance payments, and calculates additional credits to which they are entitled. He is responsible for auditing returns, levying assessments and penalties, and granting or denying tax refunds. He may issue, revoke, or suspend certain licenses and permits. He makes taxable value determinations of public utility property and of most personal property which is subject to tax, and makes decisions regarding the status of personal property as taxable or exempt. He also certifies tax base and tax liability data to county auditors and to the Auditor of State and State Department of Education, and receives reports and certifications of data from other officers of government. In two instances, the personal income tax and the horse racing tax, the statutes assign to him the actual collection of taxes with his other administrative duties.

The Tax Commissioner is also required to maintain a continuous study of the practical operation of the taxation and revenue laws of the state, the probable revenue effect of possible changes in existing laws, and the possible enactment of measures providing for other forms of taxation.

To efficiently perform these numerous functions, the Tax Commissioner is authorized by law to create the divisions and sections of employees which he deems proper. The organization chart on page vi indicates this division structure. In addition to an Assistant Tax Commissioner and a Deputy Tax Commissioner, the Tax Commissioner has created five operating divisions responsible for specific taxes or groupings of taxes (Sales and Excise, Property, Public Utility, Income, and Estate), seven administrative staff sections (Budget and Fiscal, Computer Operations, Information Systems, Personnel, Reproduction and Supply, Research and Statistics, and Security), a Legal Section, and nine District Offices located in major cities throughout Ohio with a District Administrator in the central office in Columbus. A map indicating the locations of the district offices and the counties which they serve is shown on page viii.

At the close of fiscal year 1981, there were 1,137 permanent employees in the central office and nine district offices. Expenditures of $29.2 million were made during the fiscal year to fulfill the various functions and responsibilities of the Department. Further detail for numbers of employees and expenditures is shown in Tables 1 and 2.

Table 3 shows data from applications for tax exemptions for pollution control and energy conservation facilities. Qualified facilities include: (1) air and noise pollution control facilities; (2) energy conservation facilities; (3) thermal efficiency improvement facilities; and (4) solid waste energy conversion facilities. A certificate must be issued for these facilities in order to qualify for a general tax exemption. The certification procedures for all of these facilities are administered by the Tax Commissioner. There is a similar program for water pollution control facilities, but that program is administered by the Ohio Environmenal Protection Agency.

Applications for certificates are filed by businesses with the Department of Taxation. If the Tax Commissioner, after obtaining the opinion of the Director of Environmental Protection or Director of the Department of Energy, finds that the facility meets the statutory requirements, a certificate is

Table 1

OHIO DEPARTMENT OF TAXATION STAFF STRUCTURE AND NUMBER OF EMPLOYEES, FISCAL YEAR 1981

Unit Of Organization	Number of Employees June 30, 1981	
Administrative Division		
Tax Commissioner	7	
Legal	21	
Budget Management	3	
Personnel	6	
Research & Statistics	9	
Information Systems	11	
Reproduction & Supply	14	
Division Total		71
Data Processing Division		163
Property Tax Division		
Audit Director's Office	12	
Compliance & Valuation	9	
Personal Property Tax	14	
Financial Institutions	4	
Audit Review	10	
Division Total		49
Sales And Excise Tax Division		
Audit Director's Office	4	
Sales and Excise		
Central Audit	40	
Audit Review	9	
Sales & Excise	95	
Highway Use	36	
Motor Vehicle Fuel	11	
Cigarette Law Enforcement	11	
Division Total		206
District Offices		
Akron	43	
Cincinnati	68	
Cleveland	70	
Columbus	38	
Dayton	42	
Lima	18	
Toledo	25	
Youngstown	38	
Zanesville	19	
Division Total		361

Unit Of Organization	Number Of Employees June 30, 1981	
Income Tax Division		
Administrator's Office	7	
Corporate Franchise and Personal Income Tax Central Office Audit Staff	82	
Income Tax Processing	29	
Accounting & Cashier	13	
Security	13	
Support Services	25	
Taxpayer Services	34	
File & Mail Unit	26	
Energy Credits	20	
Division Total		249
Estate Tax Division		29
Public Utilities Division		9
Total Permanent Employees in Pay Status		1,137
Temporary Employees In Pay Status		57
Total Employees (Permanent & Temporary)		1,194

Table 2

EXPENDITURES OF THE DEPARTMENT OF TAXATION, FISCAL YEAR 1981

Unit of Organization	Personal Service	Maintenance And Equipment	Total
Administrative Division	$ 1,610,111	$ 960,452	$ 2,570,563
Data Processing Division	2,474,677	1,485,811	3,960,488
Property Tax Division	942,469	135,844	1,078,313
Sales & Use Tax Division	4,204,005	1,213,442	5,417,447
District Offices	7,029,113	943,522	7,972,635
Income Tax Division	4,527,620	2,703,924	7,231,544
Estate Tax Division	516,063	161,341	677,404
Public Utilities Division	210,708	38,935	249,643
Total	$21,514,766	$7,643,271	$29,158,037

issued for the facility. If the facility does not meet the qualifications, the certificate is not granted. Sometimes only a portion of a facility qualifies and a certificate is issued for only that portion of the facility. Table 3 summarizes the activities of the Department regarding the certificate program for fiscal year 1981. The table shows the number of applications acted upon during the fiscal year and gives a breakdown of the applications based on the action taken by the Tax Commissioner. Also shown is the value of facilities for which certificates were sought and the value of the facilities for which certificates were approved.

As long as the certificates are in force, the value of the certified facility is exempt from real and personal property taxes and is excluded from computation of the corporate franchise tax. In addition, material used to construct a certified facility is exempt from all sales and use taxes.

Table 4 shows the total audit production for the Sales, Income, Property, and Estate Tax Divisions. Note that these figures generally exceed those shown in the assessments tables, primarily because the production totals include revenue from corrected returns and other activities which are not included in the actual assessments.

Total audit production in fiscal year 1981 for the three major divisions of the Department increased by 39% over fiscal year 1980. This compares to a 15% decrease in fiscal year 1980. Audit production for the Sales Tax Division increased by $28.4 million (30.0%) -- compared to a 32.0% decrease the previous year. Audit production in the Income Tax Division increased by $23.5 million (76.4%) while the Property Tax Division increased by $12.2 million (28.2%).

Tables 5 through 7 indicate amounts for assessments made by the Property, Sales, and Income Tax Divisions of the Department. Personal property tax assessments shown in Table 5 for tangible and intangible taxes totaled $62.9 million for calendar year 1980. Table 6 indicates that sales and excise tax assessments were $96.4 million in fiscal year 1981, with about $94.2 million of that amount from the sales and use tax alone.

Table 7 shows assessments levied by the Income Tax Division for both the corporate franchise and personal income taxes. Corporate franchise assessments are levied against corporations that: (1) do not file the required annual return; (2) file an incorrect return; or (3) fail to remit the full amount of the tax due. In fiscal year 1981, 2,199 corporate franchise assessments were levied amounting to $22.0 million in additional taxes, penalties, and interest due from corporations. These assessments must be paid within thirty days after the corporation receives the assessment notice. The assessments may be appealed by the taxpayers; however, the assessment must be paid in full before the appeal can be filed.

Personal income tax assessments are levied against individuals who either fail to file a tax return during the required time period or fail to pay the full amount of the tax legally due. Personal income tax assessments were levied against 30,494 taxpayers in fiscal year 1981 and amounted to about $7.8 million in additional taxes, penalties, and interest due from individual taxpayers. These assessments become due and payable within thirty days after they are received by the taxpayer. A taxpayer may appeal the assessment within thirty days after its receipt, but the assessment must be paid in full before the appeal can be filed.

Table 3

NUMBER OF POLLUTION CONTROL, CONVERSION FACILITY, AND THERMAL EFFICIENCY IMPROVEMENT FACILITY APPLICATIONS ACTED ON AND VALUE OF EXEMPTIONS GRANTED, FISCAL YEAR 1981

Type of Facility	Total Number of Applications	Action Taken on Application: Full Cost Exempt	Portion of Cost Exempt	None of Cost Exempt	Value of Exemptions Sought	Value of Exemptions Approved
Air Pollution	256	169	71	16	$465,693,366	$379,665,923
Noise Pollution	4	0	0	4	142,868	142,868
Energy Conversion	12	12	0	0	6,661,823	6,661,823
Solid Waste Conversion	1	1	0	0	7,877,164	7,877,164
Thermal Efficiency Improvement	11	10	0	1	4,232,848	4,202,061
Total	284	192	71	21	$484,608,069	$398,549,839

Table 4

TOTAL AUDIT PRODUCTION FOR SALES, INCOME, PROPERTY, AND ESTATE TAX DIVISIONS, FISCAL YEARS 1977 - 1981

Division	Audit Production FY 1977	FY 1978	FY 1979	FY 1980	FY 1981
Sales and Excise Taxes	$ 74,628,698	$133,128,578	$139,404,450	$ 94,779,385	$123,204,890
Income and Corporate Franchise Taxes	29,548,701	30,918,952	28,527,571	30,779,947	54,295,528
Property Tax	22,657,982	25,634,520	31,940,285	43,364,145	55,588,616
Estate Tax	N.A.	N.A.	N.A.	N.A.	2,225,652
Total	$126,835,381	$189,682,050	$199,872,306	$168,923,477	$235,314,686

N.A. -- Not Available.

Table 5

PERSONAL PROPERTY TAX ASSESSMENTS
CALENDAR YEARS 1979 AND 1980

Tax	Amount of Assessments			
	Calendar Year 1979		Calendar Year 1980	
Tangible and Intangible Personal Property				
Single-County Corporations, Individuals, & Unincorporated Businesses	$19,196,868		$23,867,619	
Intercounty Corporations	20,804,548		28,217,913	
Total Personal Property		$40,001,416		$52,085,532
Financial Institutions (Intangibles only)		2,007,149		10,809,693
Total		$42,008,565		$62,895,225

Table 6

SALES AND EXCISE TAX ASSESSMENTS LEVIED
AND UNPAID ASSESSMENTS CERTIFIED FOR PAYMENT, FISCAL YEARS 1980 AND 1981[a]

Tax	Assessments Levied				Unpaid Assessments Certified For Collection[b]	
	Fiscal Year 1980		Fiscal Year 1981			
	Amount	Number	Amount	Number	Fiscal Year 1980	Fiscal Year 1981
Sales and Use	$71,630,832	27,876	$94,194,514	30,527	$31,303,205	$39,596,697
Motor Vehicle Fuel	163,423	22	382,190	31	N.A.	N.A.
Highway Use	491,146	429	1,414,846	511	93,057	703,663
Cigarette	59,861	10	90,595	13	12,506	122,639
Beer and Wine	23,883	24	86,168	87	11,380	13,267
Severance	20,496	25	270,809	27	164,108	29,346
Total	$72,389,641	28,386	$96,439,122	31,196	$31,584,256	$40,465,612

(a) Represents only assessments levied and not assessments collected.

(b) Data does not relate to current assessments shown in "Assessments Levied" column. It represents those assessments certified for collection after taxpayers have exhausted all avenues of appeal. Number of total assessments was 21,267 in Fiscal Year 1980 and 20,874 in Fiscal Year 1981.

N.A.-- Not available.

Table 7

PERSONAL INCOME TAX AND CORPORATE FRANCHISE TAX ASSESSMENTS LEVIED,
FISCAL YEARS 1978 - 1981

Tax	Assessments Levied							
	Fiscal Year 1978		Fiscal Year 1979		Fiscal Year 1980		Fiscal Year 1981	
	Amount	Number	Amount	Number	Amount	Number	Amount	Number
Corporate Franchise Tax	$17,815,705	1,352	$16,860,317	1,551	$16,009,371	1,958	$22,031,465	2,199
Personal Income Tax	3,082,231	16,437	4,447,327	23,845	5,326,276	26,330	7,848,427	30,494
Total	$20,897,936	17,789	$21,307,644	25,396	$21,335,647	28,288	$29,879.892	32,693

REVENUE FROM TAXES
ADMINISTERED BY THE TAX COMMISSIONER

The Tax Commissioner is responsible for administering state and local taxes which yielded about $6.1 billion in fiscal year 1981. The state's 1981 fiscal year was the period from July 1, 1980 through June 30, 1981. A breakdown of the collections from these taxes is shown in Table 8 for both state-collected and locally-collected taxes. It should be noted, however, that taxes imposed by one level of government may be collected by another, and that taxes collected by one level of government may be shared with another. Therefore, the tax collection figures attributed to state or local governments in the table do not necessarily indicate amounts available for expenditure by the two governmental levels.

Figures for both the gross and net tax collections from state-collected taxes are shown in Table 8. Gross collections are equal to total taxes collected, including taxes which were later refunded, or collected by the state for local governments. For example, the permissive sales tax is collected by the state but returned to each county or transit authority levying the tax. Net tax collection figures are equal to gross collections less all refunds. It should also be noted that the source for the state-collected taxes figures is the Department of Administrative Services for both gross and net collections. These figures will differ somewhat from data shown elsewhere in this report which generally represent taxes administered as shown on returns filed during the fiscal year rather than collections during the fiscal year.

The twelve state-collected taxes administered by the Tax Commissioner yielded net tax collections of $4,853.0 million during the fiscal year. This was an increase of 8.5% over the previous fiscal year. Collections from locally-collected taxes were $1,296.2 million in calendar year 1980, which was an increase of 6.1 % from calendar year 1979. A major factor in the increase in state-collected taxes was a series of temporary tax increases in effect for the last half of fiscal year 1981.

The largest single revenue source of the taxes administered by the Tax Commissioner was again the sales tax. Fiscal year 1981 net sales tax collections were $1,642.4 million -- an increase of 13.6% over 1980. However, much of this increase was derived from an increase in the sales tax rate from 4% to 5% in effect for the January-to-June, 1981 period. Although the tax on all sales except automobiles increased by over 16%, the tax on automobile sales increased by only 1.8%. However, the tax rate on many automobile sales was reduced by 2% for a 2-month period during the fiscal year. This reduction was designed to encourage domestic auto sales.

The personal income tax continued as the second largest source of revenue -- with an increase of 9.1% from the previous year. The major factor behind this year's growth was the increase in personal income in Ohio which was up 8.6% over the previous year. It is expected that personal income tax collections will increase more rapidly than personal income since the progressive rates of the tax should cause the percentage increase in tax liability to exceed the percentage increase in income.

Corporate franchise tax collections fell by 5.8% in fiscal year 1981, even though a 15% surcharge was applied to most of the tax liability collected in the year. Without the surcharge, collections would have decreased by about 14% even though total U.S. profits only fell about 4%. A portion of the difference between these two percentages is explained by the franchise tax credit for property taxes paid on manufacturing machinery and equipment which increased by about $15 million in 1981. In addition, because of the depressed state of the auto-related industries in 1980, it is probable that Ohio corporate profits fell at a greater rate than U.S. profits.

Revenues from both of the highway-related taxes fell during fiscal year 1981 for the second consecutive year. Collections from the motor fuel tax fell by 5.8% in 1981. After this decrease, motor fuel tax collections were at the same level as in fiscal year 1974. Receipts from the highway use tax were also down significantly (6.1%) in 1981.

Collections from the public utility excise tax increased 24.2% in fiscal year 1981. However, much of this growth was caused by the 1% increase in rates for 1981.

Collections from the cigarette excise tax grew by less than 1% in fiscal year 1981. However, this growth is not significantly different from the historical growth of the tax. Collections from alcoholic

Table 8

COLLECTIONS FOR TAXES ADMINISTERED BY OHIO TAX COMMISSIONER[a]

State-Collected Taxes, Fiscal Years 1980 and 1981

Tax	Gross Tax Collections		Net Tax Collections[b]		Percent Change
	1980	1981	1980	1981	
State Sales and Use	$1,450,678,165	$1,649,604,049	$1,445,787,364	$1,642,437,931	+13.60%
Local Sales and Use	158,605,370	185,653,150	158,605,370	185,653,150	+17.02
Personal Income	1,137,450,733	1,245,555,398	1,039,727,648	1,134,381,126	+ 9.10
Corporation Franchise	603,092,645	583,874,100	582,346,705	555,336,956	- 4.64
Motor Vehicle Fuel	407,180,819	382,929,985	397,133,010	374,187,218	- 5.78
Public Utility Excise	376,029,773	467,319,708	376,029,773	466,935,528	+24.18
Cigarette Excise	209,218,776	211,123,078	207,947,412	209,796,126	+ .89
Intangible Personal Property (state-collected)[e]	142,043,880	147,789,674	141,886,369	147,737,048	+ 4.12
Highway Use	49,320,997	46,377,396	49,243,796	46,228,511	- 6.12
Alcoholic Beverage Excise	43,519,571	67,290,516	42,827,504	61,287,837	+43.10
Horse Racing	26,825,997	24,820,598	26,825,977	24,820,598	- 7.48
Severance	4,420,746	4,207,446	4,411,485	4,168,203	- 5.51
Total State-Collected Taxes	$4,608,387,472	$5,016,545,098	$4,472,772,413	$4,852,970,232	+ 8.50%

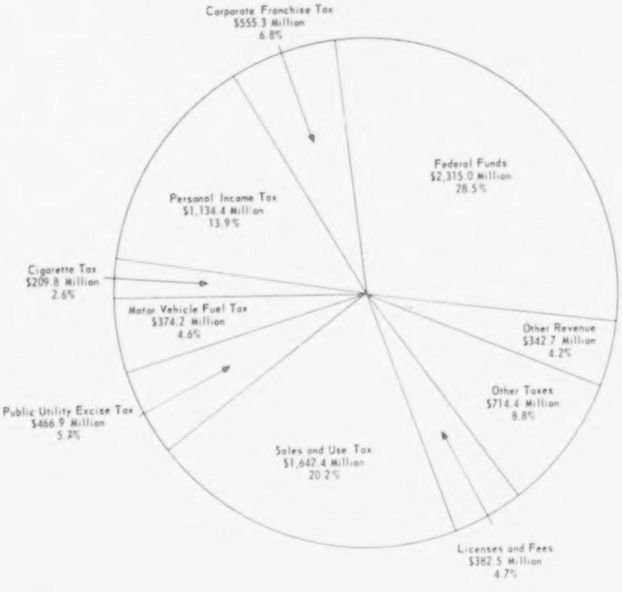
Locally-Collected Taxes, Calendar Years 1979 and 1980

	Taxes Assessed		Percent Change
	1979	1980	
Tangible Personal Property Taxes[d]	$ 654,919,952	$ 688,543,040	+ 5.13%
Intangible Personal Property Taxes (Locally-Collected)[e]	89,203,380	99,701,600	+11.77
Public Utility Property Taxes[f]	389,670,060	411,321,240	+ 5.56
Estate Tax[g]	88,375,945	96,610,569	+ 9.32
Total Locally-Collected Taxes	$1,222,169,337	$1,296,176,449	+ 6.06%

(a) SOURCES: For state-collected taxes, Ohio Department of Administrative Services. For locally-collected taxes, Ohio Department of Tax Equalization and Ohio Department of Taxation.
(b) Gross tax collections less refunds.
(c) Taxes paid by financial institutions, dealers in intangibles, public utilities and intercounty corporations.
(d) Estimated 90% of all taxes levied on tangible personal property.
(e) Estimated 95% of all locally-collected taxes on intangibles.
(f) Estimated using average county tax rates.
(g) Fiscal years 1980 and 1981, respectively.

beverage taxes grew by over 43%; however, virtually all of this increase was caused by the increased tax rates for the January-to-June, 1981 period. If the rates had not been increased, the growth of this tax would have been less than 2% (about equal to historical growth). Horse racing tax collections fell by 7.5% because of reduced wagering at Ohio's tracks. Severance tax collections fell by 5.5% in fiscal year 1981 -- following a 4% decline the previous year.

FIGURE 1
ALL REVENUE RECEIPTS OF THE STATE OF OHIO
FISCAL YEAR 1981
$8,137.6 million



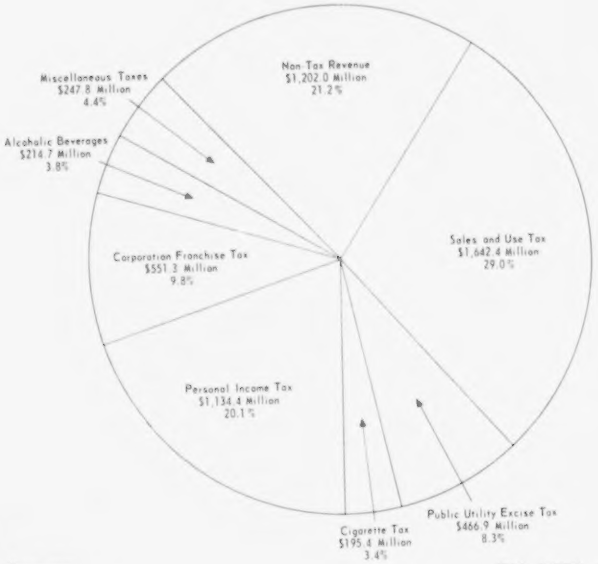
SOURCE: Ohio Department of Administrative Services.

Total revenue receipts for the state of Ohio in fiscal year 1981 were $8,137.6 million -- an increase of 13.1% over the $7,194.8 million in fiscal year 1980. These figures include only revenue available for expenditure on state programs -- tax refunds and other types of non-revenue collections are not included. The pie chart above shows the amount of revenue attributed to each of the state's major revenue sources. The largest source of state revenue was federal funds, while the sales tax was again the largest source of tax revenue and the second-largest source of revenue overall. Nearly one-half of the state's revenue was derived from these two sources. Collections from taxes under the jurisdiction of the Tax Commissioner accounted for $4,707.9 million which was 57.9% of total state revenue. All tax revenue (including taxes and fees not administered by the Tax Commissioner) amounted to $5,479.9 million.

Revenue receipts for Ohio for the last five years are shown in the table below.

Fiscal Year	Revenue Receipts
1977	$5,368.2 milion
1978	6,114.2 million
1979	6,790.7 million
1980	7,194.8 million
1981	8,137.6 million

FIGURE 2
GENERAL REVENUE FUND SOURCES
FISCAL YEAR 1981
TOTAL: $5,654.9 million



Revenue Source	FY 1981 Collections	
Sales and Use Tax		**$1,642,437,931**
Personal Income Tax		**1,134,381,126**
Corporation Franchise Tax		**551,277,256**
Public Utility Excise Tax		**466,935,528**
Cigarette Tax		**195,364,631**
Alcoholic Beverages Taxes		
Alcoholic Beverage Excise Tax	$ 61,287,836	
Liquor Gallonage Tax	31,468,572	
Liquor Profits	121,900,000	
Total		**$ 214,656,408**
Micellaneous Taxes		
Estate Tax	$ 40,630,921	
Foreign Insurance Tax	123,449,923	
Intangible Personal Property Tax	12,441,926	
Horse Racing Tax	19,653,389	
Other Taxes	51,664,047	
Total		**$ 247,840,206**
Non-Tax Revenue		
Earnings on Investments	$ 54,720,831	
Federal Aid	953,600,654	
Lotter,	110,116,671	
Miscellaneous	83,559,141	
Total		**$1,201,997,297**
GRAND TOTAL		**$5,654,890,383**

NOTE: All amounts are after refunds.

SOURCE: Ohio Department of Administrative Services.

SALES AND USE TAX

The Ohio sales and use tax was enacted in 1935 but did not become effective until early 1936. From that time on, the sales and use tax has been the major source of state revenues every year. The sales tax rate was 3% until 1967 when the 4% rate was adopted. In order to meet a growing fiscal crisis, during the period from January through June, 1981, a temporary 5% rate was in effect along with the following changes: cigarettes were subject to the sales tax; materials, machinery, and equipment used in packaging were subject to the sales tax; and the additional advance pay credits and discounts were suspended. One permanent change was adopted, and that sets the 20th day of the month following the close of the reporting period as the payment filing date rather than the last day of the month. The temporary increases accounted for about $200 million of the $1.64 billion in sales and use tax collections during fiscal year 1981.

To help the ailing auto industry and dealers in Ohio, during the sixty-day period from September 19, 1980, through November 18, 1980, one-half of the state four percent sales and use tax was suspended on the purchase of certain new passenger automobiles and pick-up trucks. To qualify for the tax reduction, vehicle manufacturers had to offer a rebate equal to or greater than the amount of sales tax reduction and agree not to increase the list price of motor vehicles during the sixty-day period. In addition, the fleet fuel economy for the manufacturers of the qualifying vehicles must have improved 20% or more from 1974 to 1979. The four major American manufacturers and Peugeot of France met the qualifying conditions and agreed to the provisions of the rebate program. During the tax reduction period, 81,621 qualifying vehicles were sold in Ohio, reversing the negative growth of the previous months, at least temporarily.

In 1967, the Ohio General Assembly authorized any county to levy a tax of one-half of one percent in addition to the state sales and use tax for the purpose of providing additional county general revenue. The tax is levied pursuant to a resolution of the county commissioners and is subject to repeal by majority vote upon the filing of a petition for referendum. Lake County was the first to levy a permissive tax and it became effective July 1, 1969. As of July 1, 1981, fifty-one counties levy the tax. The state collects the combined state and local tax and returns the local share directly to the counties. In fiscal year 1981, the state returned $115.6 million to county governments. The same exemptions and exceptions, credits, and payment dates apply to the county tax as to the state tax.

In 1974, the Ohio General Assembly authorized regional transit authorities to levy a tax to be collected in addition to the state sales and use tax and county permissive tax for the purpose of providing revenues for the use of such transit authorities. The tax is levied pursuant to a resolution of the transit authority and subsequent approval by a majority of the voters at a special or general election. The tax can be levied at a rate of one-half of one percent, one percent, or one and one-half percent. Effective October 1, 1975, Cuyahoga County began imposing the tax at a one percent level. As of June 30, 1981, two additional transit authorities levy a 0.5% permissive sales tax. The same exemptions and exceptions, credits, and payment dates apply to the regional transit authority tax as to the state tax.

TAX BASE (R.C. 5739.01, 5741.01):

All retail sales of tangible personal property that are not specifically exempted. Retail sales include the rental of tangible personal property and the rental of hotel rooms by transient guests. The use tax applies to tangible personal property purchased or rented outside of Ohio for use, storage, or consumption in Ohio. The county use tax also applies to purchases made from a vendor located in a county which does not have the permissive tax when the property is used in a county that has permissive tax.

RATES (R.C. 5739.02, 5739.021, 5739.023, 5741.02, 5741.021, 5741.022):

	Sales and Use Tax Rate July-December 1980	January-June 1981
State	4.0%	5.0%
Authorized state and county combined rate	4.5%	5.5%
Authorized state, county, and transit authority rates in effect	4.5% 5.0% 5.5%	5.5% 6.0% 6.5%

A bracket system is specified in the Revised Code for each combined state, county, and transit authority rate.

EXEMPTIONS AND EXCEPTIONS:

Exceptions (R.C. 5739.01) -- The following items are excluded from the definition of retail sale:

1. Copyrighted motion picture films unless solely used for advertising;
2. Service transactions in which tangible personal property is an inconsequential element for which no separate charge is made;
3. Tangible personal property used in air, noise, or water pollution control facilities for holders of pollution control certificates;
4. Tangible personal property to be resold in the form received;
5. Tangible personal property used in industrial cleaning or towel and linen service;
6. Tangible personal property used or consumed in commercial fishing;
7. Direct use exemptions --
   a) Material incorporated as a part of tangible personal property produced for sale by manufacturing, assembling, processing, or refining;
   b) Material used or consumed directly in the production of tangible personal property by manufacturing, processing, refining, mining, farming, agriculture, horticulture, floriculture, or used in the production of and exploration for crude oil and natural gas;
   c) Tangible personal property used directly in rendering a public utility service;
   d) Tangible personal property used or consumed directly in the transformation or conversion of raw coal into coke;
   e) Tangible personal property used or consumed in the preparation for sale of graphic material and of magazines distributed as controlled circulation publications;
   f) Tangible personal property used directly in making retail sales.
8. Tangible personal property used or consumed in the process of reclamation of strip-mined land;
9. The results of electronic data processing by one engaged in processing data of others is deemed to be a service rather than a sale.
10. The refundable deposit paid on returnable beverage containers, cartons, and cases.

Exemptions (R.C. 5739.02, 5741.02) -- The tax does not apply to the following sales:

1. Sales to U.S. Government agencies;
2. Sales to the state or any of its political subdivisions;
3. Food for human consumption off the premises where sold;
4. Food sold to students in a dormitory, cafeteria, fraternity, or sorority;
5. Food served without charge to employees as a part of their compensation;
6. Newspapers;
7. Magazine subscriptions sent by 2nd class mail or distributed as controlled circulation material;
8. Motor vehicle fuel subject to the state motor fuel tax;
9. Gas, water, steam, and electricity delivered through pipes, conduits, or wires;
10. Communication services by telephone and telegraph companies;
11. Casual sales except for motor vehicles and house trailers;

EXEMPTION AND EXCEPTIONS (cont'd):

12. Sales by churches and non-profit organizations (excluding motor vehicles and house trailers) on no more than six days each year or no more than one in any calendar month;
13. Transportation of persons or property;
14. Sales to churches and charitable organizations not for profit;
15. Building and construction material sold to contractors for incorporation into real property of the federal, state, or local governments, or of religious and charitable institutions;
16. Ships used in interstate or foreign commerce and material used for repair, alteration, or propelling vessels;

*17. Material and items used in packaging property to be sold;

18. Prescription drugs, prosthetic and surgical devices, ostomy appliances and supplies, orthotic appliances, and wheel chair lifts;
19. Emergency and fire protection vehicles used by non-profit organizations in providing emergency and fire protection services for political subdivisions;

*20. Cigarettes;

21. Motor vehicles sold in Ohio to non-residents for use outside the state;
22. Property used in the preparation of eggs for sale;
23. Sales of handling and transportation equipment (except licensed motor vehicles) to persons engaged in manufacturing, processing, assembling, or refining when used in moving property in or between plants during the production process;
24. Sales of property for use in agricultural production;
25. Property manufactured in Ohio and immediately shipped outside the state for use in retail business, if sold by the manufacturer to the retailer and shipped in vehicles owned by the retailer;
26. Sales to persons engaged in manufacturing, processing, assembling, or refining of property used directly in the production of property used or consumed in the production of a final product (use on use);
27. Sales of solar, wind, or hydrothermal energy systems that meet the guidelines adopted by the Director of the Ohio Department of Energy;
28. Sales to public broadcasting stations.

*Taxable during the January-June 1981 period.

CREDITS (Suspended during the January-June, 1981 period):

For early and prompt payment, the following credits and discounts are allowed to vendors and sellers:

1. **Credits (R.C. 5739.08, 5739.12, 5741.06, 5741.12):**

a) Early or advance payment of estimated tax liability by the 18th of the month covered by the tax return entitles the vendor to a 2% credit on such payment.

Example:	$200.00	Advance Payment
	+ 4.00	2% Credit
	$204.00	Total Advance Payment and Credit

If at the end of the month covered by the return the actual tax liability amounts to $250.00, the amount due is $46.00.

$250.00	Tax Liability
-204.00	Total Advance Payment and Credit
$ 46.00	Tax Due

b) Early or advance payment of estimated tax liability from the 19th through the last day of the month covered by the tax return entitles the vendor to a 1% credit on such payment.

CREDITS (cont'd):

Example:	$200.00	Advance Payment
	+ 2.00	1% Credit
	$202.00	Total Advance Payment and Credit

If at the end of the month covered by the return the actual tax liability amounts to $250.00, the amount due is $48.00.

$250.00	Tax Liability
-202.00	Total Advance Payment and Credit
$ 48.00	Tax Due

2. **Discount (R.C. 5739.12, 5741.12):**

Payment on or before the date a return is required to be filed entitles the vendor to a discount of 1% of the amount due after deduction of any credits.

Example	$ 46.00	Tax Due
	- .46	1% Discount
	$ 45.54	Net Tax Due

TAXPAYER (R.C. 5739.01, 5739.031, 5741.01):

Although "vendor" is the common term used to designate those who make retail sales, the following specific terms are used to classify those who remit the tax:

1. Vendors: Persons, or retailers, by whom a taxable retail sale is made and who are located in Ohio.
2. Sellers: Persons, or retailers, by whom a taxable retail sale is made outside Ohio for storage, use, or consumption in Ohio.
3. Direct Payment Permit Holders: Manufacturers or other consumers who purchase tangible personal property for which the taxable status cannot be determined at the time of purchase. These consumers are authorized to make payments directly to the state rather than paying the tax to a vendor or seller.
4. Clerks of Court: Vehicle dealers remit taxes collected on sales of motor vehicles and house trailers to county Clerks of Court when a vehicle is titled. They in turn remit such payments to the state.
5. Ohio Department of Liquor Control: Collects and remits sales tax paid on alcoholic beverages sold in state liquor stores.
6. Consumers Use Tax Account Holders: Purchasers who have not paid the tax to a seller, in most cases for out-of-state transactions.

PAYMENT DATES (R.C. 5739.12, 5741.12, Rule 5703-9-10):

Type of Return	Taxpayer	Payment Date
Weekly	Clerk of Court	Payment on Monday for tax collected during the preceding week.
Semi-monthly	Ohio Department of Liquor Control	By the 15th day of the month for the tax collected during the first 15 days of the previous month, and by the last day of the month for the tax collected from the 16th through the last day of the previous month.
Monthly	Vendors, Sellers	By the 20th day of the month following the reporting period.

PAYMENT DATES (cont'd):

Type of Return	Taxpayer	Payment Date
Semi-annual	Vendors, Sellers	By the 20th day of the month following the close of each semi-annual period (determined by county of business location) for the tax liability of that six-month period. This method of payment may be authorized for vendors and sellers whose tax liability is less than $600 per six-month period.
Optional	Vendors, Sellers	By the 20th day of the month, payments of an amount determined by the Tax Commissioner to be the average monthly tax liability of vendors and sellers authorized to use this method of payment. A semi-annual return is filed by the 20th day of the month following the close of each semi-annual period (determined by county of business location) for the preceding six-month period along with any tax due. This method of payment is available upon application to the tax Commissioner for any vendor or seller normally required to file monthly returns and eliminates the need to determine the actual tax liability each month.
Quarterly	Direct Pay Permit Holders	By the last day of January, April, July, and October for the preceding three-months' tax liability.
	Consumer Use Tax Accounts	By the 15th day of January, April, July, and October for the preceding three-months' tax liability.

SPECIAL PROVISIONS:

Master Accounts (Rule 5703-9-09): Vendors who have two or more places of business in Ohio may, upon approval by the Tax Commissioner, file a single, monthly, consolidated return reporting a cumulative total of the information that normally is required to be reported from each location.

Prearranged Agreements (R.C. 5739.05): Vendors, such as fast food outlets, whose business is of such a nature that keping records of which sales are taxable and which exempt would impose an unreasonable burden, may be authorized by the Tax Commissioner to pay an amount based on a test check conducted to determine the proportion of taxable sales to total sales. Businesses electing this method of payment still collect the tax from customers and pay by optional return.

Prepayment (R.C. 5739.05 and Rule 5703-9-08): Vendors, such as coin-operated vending machine operators, whose business is of such a nature that the collection of the tax from consumers would impose an unreasonable burden, may be authorized by the Tax Commissioner to prepay the tax at a rate based on an analysis of sales and prices.

Contruction Contractors (R.C. 5739.01): Considered to be the consumer of property incorporated into a structure or improvement and thus responsible for paying the tax on such property.

DISPOSITION OF REVENUE:

1. State Sales and Use Tax:
   - a) Sales tax (R.C. 5739.21) -- All to the state General Revenue Fund with 3.5% of the amount subsequently transferred to the Local Government Fund, except that all revenue from the temporary 1% increase went to the state General Revenue Fund.
   - b) Use tax (R.C. 5741.03) -- All to the state General Revenue Fund.

DISPOSITION OF REVENUE (cont'd):

2. County Permissive Sales and Use Tax (R.C. 5739.021, 5741.021) -- All to the county general revenue fund.

3. Transit Authority Sales and Use Tax (R.C. 306.31, 5739.023, 5739.21, 5741.022):

   a) 1% certified to the credit of the Transit Tax Administrative Rotary Fund for the use of the Tax Commissioner in defraying costs of administration.
   b) Remainder to the general revenue of the transit authority for the following purposes: acquiring, constructing, operating, maintaining, replacing, improving, and extending transit facilities.

OHIO REVISED CODE CITATIONS:

Chapters 306, 5739, 5741.

RECENT LEGISLATION:

Am. Sub. H.B. 687, effective September 19, 1980.

Section 1: Suspended the collection of one-half of the state sales and use tax on new passenger automobiles that met specified fuel economy requirements and on which the manufacturer offered a matching rebate. This was effective from September 19 through November 18, 1980.

Am. Sub. H.B. 703, effective January 16, 1981.

Revised Code 5739.02: Exempts from the sales and use tax sales of durable medical equipment, external prostheses and orthotic appliances and devices used to lift wheelchairs into motor vehicles.

Am. H.B. 1032, effective October 1, 1980.

Revised Code 5739.01: Provides that the sale and installation of carpeting is not a construction contract, thereby placing the tax liability on the final consumer rather than on the contractor making a carpet installation.

Am. H.B. 1112, effective March 23, 1981.

Revised Code 5739.02: Exempts from the sales and use tax sales to public broadcasting stations.

Am. S.B. 448, effective December 19, 1980.

Revised Code 5739.12: Changes the sales tax return filing date from the last day of the month to the 20th of the month following the close of the reporting period.

Section 3: Suspended sales and use tax additional advance pay credits and discounts.

Section 4: State sales and use tax rate increased to 5%.

Section 6: All of the sales and use tax revenue attributable to the increase in the rate is credited to the state General Revenue Fund.

Section 9: Suspended the sales tax exemption for packaging machinery, equipment, and material.

Section 10: Suspended the sales tax exemption on cigarettes.

Sections 3, 4, 6, 9 and 10 were in effect from January 1, 1981 through June 30, 1981.

RECENT SIGNIFICANT COURT DECISIONS:

Bio-Medical Applications of Columbus, Inc. v. Lindley, Board of Tax Appeals, Case No. 78-C-576, July 15, 1980.

This for-profit kidney dialysis clinic was a "hospital" within the meaning of section 5739.01(D) R.C. and owed tax as a consumer for equipment and drugs used in providing dialysis treatment.

NCR Corporation v. Lindley, Board of Tax Appeals, Case No. 78-D-221, August 4, 1980.

A vendor may rely upon his customer's assertion that he is the holder of a direct payment permit. Cash register "detail tape" is used directly in making retail sales.

Beatrice Foods Co. v. Lindley, Board of Tax Appeals, Case No. 79-E-197, November 10, 1980.

The silk-screening of articles of clothing constitutes "printing" within the meaning of section 5739.01(E)(8) R.C.

Ohio Machinery Co. v. Lindley, Board of Tax Appeals, Case No. 78-A-168, November 10, 1980.

The rebuilding of heavy equipment engines constitutes "manufacturing or processing" and items used directly therein are excepted from the tax.

Mansfield Memorial Homes Apartments, Inc. v. Lindley, Board of Tax Appeals, Case No. 79-D-157, January 15, 1981.

Appellant, a non-profit corporation, built and operated an apartment building for the elderly. The Board held that the property incorporated into the building was not exempt under 5735.02(B)(12), since the operation did not meet the 5701.13 R.C. requirements for a "home for the aged".

Fliteways v. Lindley, Ohio Supreme Court, 65 Ohio St. 2d 21, March 18, 1981.

Aircraft charter and flight training are services, not the rental of the aircraft used therein. An occasional, taxable use of tangible personal property purchased and held for resale will not defeat the tax exception.

Hawthorn Mellody v. Lindley, Ohio Supreme Court, 65 Ohio St. 2d 47, March 18, 1981.

Storage tanks, used to hold ice cream flavoring in one case and ammonia for the refrigeration system in the other, are excepted as "adjuncts" to direct use in manufacturing. Inter-corporate transfers of tangible personal property constitute "sales", the consideration being evidenced by the appropriate credit and debit bookkeeping entries.

The Pizza Inn, Inc. v. Lindley, Board of Tax Appeals, Case No. 78-B-604, March 26, 1981.

Coupons, issued free of charge by a vendor, which permit the consumer to purchase merchandise from that vendor at a reduced cost, are discounts provided at the time of sale and the coupon value is not part of the taxable price.

Lawrence v. Lindley, Ohio Supreme Court, 65 Ohio St. 2d 105, March 31, 1981.

Corporate bankruptcy does not discharge sales tax collected from consumers but not remitted to the state and a responsible corporate officer or employee may be assessed the tax, despite the corporate bankruptcy.

Cooey-Bentz Co. v. Lindley, Ohio Supreme Court, 66 Ohio St. 2d 54, April 15, 1981.

An out-of-state seller, which solicits sales in Ohio by billboards and advertising directed to Ohio consumers, which regularly delivers merchandise in Ohio, and which regularly has employees in

RECENT SIGNIFICANT COURT DECISIONS (cont'd):

the state to install carpeting and sell and install repair parts, is "engaged in the business of selling in this state" and is required to collect the Ohio use tax.

Russell Harp of Ohio v. Lindley, Summit County Court of Appeals (9th District), Case No. 9859, May 13, 1981.

A corporation which operated municipal parking decks for the city of Akron, was not the agent of the city so as to permit the corporation to make purchases of tangible personal property without payment of sales tax.

Dunn & Bradstreet v. Lindley, Ohio Supreme Court, 66 Ohio St. 2d 295, June 3, 1981.

Dunn & Bradstreet's commercial credit reporting service constitutes a personal service and the credit books and reports transferred to subscribers are "inconsequential elements". The true object sought by the subscribers is "information", therefore, sales tax is not applicable.

Geiler Co. v. Lindley, Ohio Supreme Court, 66 Ohio St 2d 514, June 24, 1981.

Sales tax, illegally billed and collected on contracts by a construction contractor, but not remitted to the state, was properly assessed and cannot be offset with the amount of tax properly paid by the contractor as a consumer on the cost of materials incorporated pursuant to those construction contracts.

Beatrice Foods Co. v. Lindley, Board of Tax Appeals, Case No. 78-D-449, June 29, 1981.

Trucks, leased from an out-of-state lessor but delivered to and based, serviced and maintained in Ohio are "used" in Ohio and are properly subject to use tax.

Table 9

SALES AND USE TAX COLLECTIONS BY TYPE OF PAYMENT
FISCAL YEARS 1977 - 1981(a)

Type Of Payment	1977	1978	1979	1980	1981
Vendors and Sellers					
Sales Tax	$ 857,505,001	$ 966,629,374	$1,075,585,767	$1,138,602,369	$1,329,435,091
Use Tax	44,265,679	51,053,945	55,147,981	57,139,665	67,731,307
Consumer Payments					
Direct Payment Sales Tax	39,106,791	45,463,435	50,836,529	59,650,084	66,199,807
Consumers Use Tax	17,378,055	21,139,347	25,468,209	31,470,632	34,592,599
Sales and Use Tax Assessments and Penalties	17,319,625	18,819,056	23,952,377	23,782,076	31,909,038
Attorney General Sales and Use Tax Collections	7,243,330	10,173,430	12,959,210	13,451,957	14,042,893
Liquor Sales by Department of Liquor Control	11,379,699	11,801,262	12,269,283	12,966,454	14,635,442
Tax on Motor Vehicles and House Trailers	259,847,065	303,809,549	322,039,774	272,223,723	276,711,022
Total	$1,254,045,245	$1,428,889,398	$1,578,259,130	$1,609,286,960	$1,835,257,199
County Sales Tax(b)	- 73,040,274	- 87,097,936	- 97,595,919	- 107,219,757	- 115,644,394
Regional Transit Authority Sales Tax(b)	- 40,659,493	- 46,117,009	- 50,731,761	- 53,026,511	- 78,629,256
Net Total	$1,140,345,478	$1,295,674,453	$1,429,931,450	$1,449,040,692	$1,640,983,549

(a) Amounts given are after deduction of vendors discounts and poundage fees allowed county clerks of courts.
(b) Amounts given are from records of the Ohio Department of Taxation.

SOURCE: Ohio Treasurer of State.

Table 10

NUMBER OF ACCOUNTS BY TYPE AND PAYMENT SCHEDULE
AS OF JUNE 30, 1981

	PAYMENT SCHEDULE				
Accounts	Monthly	Optional	Semi-Annual	Quarterly	Total
Vendors	73,357	3,127	137,671	- -	214,155
Sellers Use	2,133	18	3,812	- -	5,963
Master Accounts	1,174	137	122	- -	1,433
Consumers Use	- -	- -	- -	10,658	10,658
Direct Pay	- -	- -	- -	1,155	1,155
Total	76,664	3,282	141,605	11,813	233,364

Table 11

COUNTY AND RTA PERMISSIVE TAX COLLECTIONS, FISCAL YEARS 1977 - 1981

County	Amount of Tax					Period Imposed	
	1977	1978	1979	1980	1981	Effective Date	Termination Date
Allen	$1,743,191	$1,959,314	$ 2,178,736	$ 2,180,152	$ 2,313,506	May 1, 1970	-
Ashland	440,941	526,531	574,324	567,671	611,897	Mar. 1, 1971	-
Ashtabula	188,595	1,211,830	1,309,882	1,371,268	1,436,107	Apr. 1, 1977	-
Auglaize	439,842	505,297	559,241	589,921	635,795	Nov. 1, 1973	-
Brown	-	-	-	249,494	348,298	Aug. 1, 1979	-
Clark	1,720,629	1,941,867	2,147,661	2,110,136	2,207,665	Nov. 1, 1972	-
Clermont	-	-	-	1,298,064	1,846,847	Aug. 1, 1979	-
Clinton	55,188	370,746	431,462	421,099	458,282	May 1, 1972	(a)
Coshocton	374,322	412,312	459,542	459,042	468,865	Jun. 1, 1971	-
Crawford	-	53,585	588,244	602,990	624,297	May 1, 1978	-
Cuyahoga	20,867,780	23,532,890	25,668,137	26,486,540	27,841,371	Sep. 1, 1969	-
Darke	560,225	627,354	684,024	672,920	678,421	Jul. 1, 1975	-
Delaware	466,968	533,198	603,684	629,641	673,501	Jan. 1, 1972	-
Erie	319,437	1,414,041	1,575,641	1,646,714	1,726,329	Mar. 1, 1977	-
Fulton	407,142	452,777	495,134	472,224	508,402	May 1, 1972	-
Greene	1,092,925	1,231,379	1,373,008	1,392,319	1,470,576	Mar. 1, 1972	-
Guernsey	490,613	548,129	623,246	624,378	664,779	Feb. 1, 1971	-
Hamilton	13,651,693	15,187,122	17,110,191	18,116,453	19,394,800	Jun. 1, 1970	-
Hancock	-	-	301,321	752,123	4,888	Feb. 1, 1979	Dec. 31, 1980
Henry	304,293	331,270	361,832	375,001	380,014	Mar. 1, 1972	-
Highland	-	-	28,384	361,709	386,422	May 1, 1979	-
Hocking	-	-	38,370	230,631	239,076	Apr. 1, 1979	-
Holmes	-	239,708	324,895	332,733	352,240	Jul. 1, 1977	-
Huron	-	218,577	748,072	739,737	774,206	Feb. 1, 1978	-
Jefferson	-	1,096,894	1,319,406	1,338,985	1,325,465	Jun. 1, 1973	(b)
Knox	436,279	487,371	547,762	584,147	630,775	May 1, 1971	-
Lake	2,932,164	3,331,363	3,749,101	3,896,479	3,982,392	Jul. 1, 1969	-
Licking	1,278,054	1,471,269	1,607,920	1,670,810	1,754,228	Feb. 1, 1971	-
Logan	471,366	503,429	564,537	571,977	607,109	Jan. 1, 1974	-
Lucas	7,216,848	8,018,841	8,715,515	9,050,010	9,844,682	Feb. 1, 1971	-
Mahoning	-	-	-	571,084	3,754,787	Apr. 1, 1980	(c)
Medina	1,154,862	1,365,438	1,598,460	1,552,871	1,578,953	Apr. 1, 1971	-
Mercer	443,445	489,038	561,307	561,780	569,961	Nov. 1, 1971	-
Miami	1,008,204	1,110,258	1,213,629	1,269,997	1,369,752	Dec. 1, 1969	-
Montgomery	8,815,225	9,889,797	10,660,481	11,108,242	11,427,041	Jan. 1, 1971	-
Morgan	-	81,894	108,070	104,198	112,356	Feb. 1, 1972	(d)
Morrow	-	106,956	192,780	172,552	115,881	Jul. 1, 1971	(e)
Muskingum	966,025	1,103,437	1,263,215	1,232,264	1,340,497	May 1, 1971	-
Noble	82,864	92,675	100,527	104,054	107,289	Jan. 1, 1971	-
Ottawa	417,255	464,775	541,712	535,719	590,714	Oct. 1, 1973	-
Perry	177,571	209,057	234,249	232,449	234,113	Mar. 1, 1971	-
Portage	-	-	-	-	-	Apr. 1, 1971	Dec. 31, 1972
Preble	-	-	-	175,521	367,871	Nov. 1, 1979	-
Putman	279,389	306,287	340,909	339,138	348,575	Jan. 1, 1974	-
Richland	-	-	34,861	1,380,352	9,757	Jun. 1, 1979	Dec. 31, 1979
Ross	-	-	-	311,765	990,780	Jan. 1, 1980	-
Sandusky	-	-	-	689,287	928,163	Aug. 1, 1979	-
Scioto	-	-	66,520	999,164	1,093,574	May 1, 1979	-
Shelby	437,359	507,921	551,081	548,466	584,281	Mar. 1, 1971	-
Summit	18,544	17,278	5,222	21,155	71,415	Mar. 1, 1973	(f)
Tuscarawas	-	494,137	2,726	1,375	512	Apr. 1, 1971	(g)
Van Wert	340,291	383,668	411,763	412,190	437,645	Mar. 1, 1972	-
Warren	1,000,364	1,248,662	1,428,758	1,426,600	1,521,242	Jan. 1, 1972	(h)
Wayne	1,072,686	1,244,208	1,402,633	1,418,510	1,516,382	Mar. 1, 1971	-
Williams	-	211,828	495,945	517,027	526,521	Dec. 1, 1977	-
Wood	1,367,695	1,563,528	1,691,799	1,738,629	1,859,097	Jun. 1, 1971	-
Total	$ 73,040,274	$ 87,097,936	$ 97,595,919	$107,219,757	$115,648,394		
Transit Authority							
Greater Cleveland	$ 40,659,493	$ 46,117,009	$ 50,731,761	$ 53,026,511	$ 55,285,857	Oct. 1, 1975	-
Miami Valley	-	-	-	-	$ 9,678,497	Jul. 1, 1980	-
Central Ohio	-	-	-	-	13,664,902	Sep. 1, 1980	-
Grand Total	$113,699,767	$133,214,945	$148,327,680	$160,246,268	$194,277,650		

(a) Discontinued December 31, 1972, reinstituted April 1, 1977.
(b) Discontinued December 31, 1974, reinstituted July 1, 1977.
(c) Discontinued December 31, 1980, reinstituted April 1, 1981, discontinued May 1, 1981, reinstituted June 1, 1981.
(d) Discontinued February 28, 1973, reinstituted July 1, 1977.
(e) Discontinued December 31, 1971, reinstituted November 1, 1977, discontinued December 31, 1981.
(f) Discontinued December 31, 1973, reinstituted June 1, 1981.
(g) Discontinued December 31, 1971, reinstituted August 1, 1977, discontinued December 31, 1977.
(h) Discontinued December 31, 1972, reinstituted August 1, 1973.

CIGARETTE TAX

Virtually all of Ohio's cigarette tax collections go into the state general revenue fund ($195 million out of $211 million in 1981). The remainder goes to a capital improvements bond retirement fund. Nearly all collections are remitted by wholesale dealers and represent purchases of tax stamps or meter impressions. These stamps and impressions reflect the amount of tax paid and must be placed on all packages before sale at retail. A small fraction of total tax collections (approximately $912,000 in fiscal 1981) is received as direct payment from consumers or dealers on cigarettes acquired on which the tax has not been paid.

TAX BASE:

Sales of cigarettes; or use or consumption of cigarettes or their storage for consumption in Ohio.

RATES (R.C. 5743.02, 5743.021, 5743.023, 5743.32, 5743.321, 5743.322):

15 cents per standard package of 20 cigarettes: two levies, a 7-cent levy and a 0.5-cent levy, each per 10 or fewer cigarettes.

EXEMPTION:

Cigarettes sold in interstate or foreign commerce or to United States appropriated fund activities.

TAXPAYERS:

Primarily licensed wholesale dealers; also retailers, and consumers who acquire cigarettes on which tax has not been paid.

METHOD OF TAX PAYMENT:

Dealers pay tax primarily by purchasing indicia (stamps or meter impressions) which must be affixed to all packages of cigarettes for sale. Use tax payments by consumers and dealers' deficiency payments on cigarettes not bearing indicia are due with returns.

TAX RETURN DATES:

Dealers' semiannual returns due January 31 and July 31; consumers' use tax returns by the 15th of each month following the month of use, storage, or consumption in Ohio.

DISCOUNTS AND PURCHASES ON CREDIT:

As a consideration for affixing and cancelling indicia, dealers get a 3-1/3% discount on the face value of stamps and meter impressions purchased (on 14 cents of the 15-cent standard levy). Indicia purchases on credit, including the discount, are authorized under prescribed conditions if payment is made within 30 days.

NOTE: S.B. 448 temporarily suspended the discount offered to dealers from January 1, 1981 through June 30, 1981.

DISPOSITION OF REVENUE:

In general, 14 cents to General Revenue Fund, 1 cent to capital improvements bond retirement. (Statutes authorize allocations from current revenues for refund rotary; revenue from the 7-cent tax may also be allocated for bond retirement if needed.)

OHIO REVISED CODE CITATIONS:

Chapter 5743.

Table 12

CIGARETTE TAX CREDITS AND CASH REMITTANCES, BY TYPE OF TAX PAYMENTS OR CREDITS, FISCAL YEAR 1981

Type of Tax Credit	Amount of Tax Credit		Amount Paid[a]	
Tax Indicia Sold:				
Cash Remittances	$ 46,315,222		$ 46,315,222	
Purchases on Credit	163,981,904			
Discount Allowed	3,808,421			
Total (face value)		**$214,105,547**		
Credit Accounts Received			$163,932,960	
Total Amount Paid				**$210,248,182**
Direct Payments:				
Tax Return Payments		**$ 911,692**		**$ 911,692**
Total		**$215,017,239**		**$211,159,874**

(a) As reported by Treasurer of State.

ALCOHOLIC BEVERAGE TAXES

The Ohio Department of Taxation and the Department of Liquor Control share responsibilities for the administration of the laws regarding alcoholic beverages. Basically, the Department of Liquor Control, which includes the Liquor Commission: (1) is in charge of issuing, suspending, and revoking permits to manufacture, distribute, and sell all alcoholic beverages; (2) operates a system of state liquor stores for the sale of spirituous beverages (liquors containing more than 21% alcohol by volume) at retail and to holders of permits authorized to make retail sales; and (3) controls all phases of manufacturing, distribution, and sale of alcoholic beverages in Ohio. The Department of Taxation is involved mainly in the administration of the taxes on non-spirituous beverages (beer, malt beverages, wine, mixed beverages, and malt and brewers wort). This section of the Annual Report covers only the role of the Department of Taxation.

Before 1900, the states played a secondary role to the federal government in regulating the sale of alcoholic beverages. However, after Prohibition was repealed in 1933, the states gained predominance. That same year, Ohio passed its first liquor control act and enacted tax levies on beer, wine and other non-spirituous beverages. Since 1933, there have been amendments to the law including imposing the state sales tax on beer, malt beverages, wine, and mixed beverages beginning in 1967.

Emergency legislation was enacted late in 1980 that imposed temporary alcoholic beverage excise tax rate increases during the January-June, 1981 period. The measure produced $69 million during fiscal year 1981, which was an increase of more than $24 million over fiscal year 1980.

TAX BASE:

Sale by volume of the following non-spirituous beverages (R.C. 4301.01 and 4309.01):

Type of Product	Definition
Beer	Brewed or fermented malt product containing from 0.5% to 3.2% alcohol by weight.
Malt Beverage	Brewed or fermented malt product containing more than 3.2% and not more than 7.0% alcohol by weight.
Wine (including sparkling wine and vermouth)	Fermented juices of grapes, fruits or other agricultural products and containing from 7% to 21% alcohol by volume.
Mixed Beverages	Mixture of wine or distilled spirits with carbonated or non-carbonated flavoring materials and containing from 7% to 21% alcohol by volume.
Malt	Liquid, solid, or extract made from cereal grains.
Brewers Wort	Liquid malt containing less than 15% solids by weight.

RATES:

Type of Product	Revised Code Section	Unit of Measure	Tax Rates	
			Jul-Dec 1980	Jan-Jun 1981
Beer and malt beverages in bottles or cans	4307.02, 4301.42	6 oz. or fractional part thereof	0.75 cent	1.5 cents
Beer and malt beverages in barrels	4305.09, 4305.01	31 gallons	$2.50	$3.00

RATES (cont'd):

Type of Product	Revised Code Section	Unit of Measure	Tax Rates: Jul-Dec 1980	Tax Rates: Jan-Jun 1981
Wine (containing alcohol 7% by weight to 14% by volume)	4301.43	Gallon	24 cents	60 cents
Wine (containing alcohol 14% to 21% by volume)	4301.43	Gallon	60 cents	$1.00
Vermouth	4301.43	Gallon	75 cents	$1.00
Sparkling and Carbonated Wine and Champagne	4301.43	Gallon	$1.25	$1.75
Mixed Beverages	4301.43	Gallon	80 cents	$1.60
Malt	4309.04	One pound or fractional part thereof	3 cents	3 cents
Brewers Wort	4309.04	Gallon	10 cents	10 cents

TAXPAYER:

Type of Product	Revised Code Section	Taxpayer
Bottle and Canned Beer and Malt Beverages	4301.42	Manufacturer, Bottler, Canner, or Wholesale Dealer
Barrel Beer	4305.09	Manufacturer or Consignee
Wine	4301.43	Manufacturer, Bottler or Wholesale Dealer
Mixed Beverages	4301.43	Manufacturer, Wholesale Dealer. or Retail Dealer
Malt and Brewers Wort	4309.05	Wholesale Dealer or Retail Dealer

PAYMENT DATES (R.C. 4303.33):

Beer and malt beverages permit holders:

Advance payment: On or before the 18th of each month for that month's estimated tax liability.

Monthly payment: On or before the 10th of each month for the balance of the previous month's tax liability after advance payment credits.

Wine and mixed beverage permit holders:

Monthly payment: On or before the 18th of each month for the previous month's tax liability.

Malt and brewers wort:

Monthly payment: On or before the 10th of each month for the previous month's tax liability.

DISCOUNTS AND ADDITIONAL CREDITS (R.C. 4303.33):

Discounts and additional credit are in consideration for advance and prompt payment of tax liability and for other services performed by permit holders.

Beer and malt beverage permit holders:

3% additional credit on the amount of advance payment if the payment is received by the Treasurer of State on or before the 18th of the month covered by the payment. 3% discount on 10% of the monthly payment remaining after the advance payment is deducted, if the monthly payment is received by the Treasurer of State on or before the 10th of the month for the previous month's tax liability.

Wine and mixed beverage permit holders:

3% discount on the amount of monthly payment if the payment is received on or before the 18th of the month for the previous month's tax liability.

DISPOSITION OF REVENUE (R.C. 4301.46, 4305.01, 4307.02, 4309.04):

General Revenue Fund.

OHIO REVISED CODE CITATIONS:

Chapters 4301, 4303, 4305, 4307, 4309.

RECENT LEGISLATION:

Am. S.B. 448, effective December 19, 1980.

Section 12: Increased the excise tax rates on beer, malt beverages, wine and mixed beverages from January 1, 1981 through June 30, 1981, as detailed in the **"Rates"** section.

Am. Sub. S.B. 14, effective September 25, 1981.

Revised Code 4301.42 and 4307.02: Changes the excise tax on beer and malt beverages in bottles and cans having less than twelve ounces of liquid content from a rate of three-fourths of one cent per six ounces or fractional part thereof to a rate of one-eighth of one cent per ounce of liquid content, effective July 1, 1982.

Table 13

ALCOHOLIC BEVERAGE TAX PAYMENTS AND CREDITS, FISCAL YEAR 1981

Tax Liability	Cash Payments	Credits And Discounts	Total
Beer and Malt Beverage			
Advance Tax Payments	$48,688,325	$1,421,302	$50,109,627
Payment With Return	10,451,576	92,226	10,543,802
Other Payments	1,413	-	1,413
Total	$59,141,314	$1,513,528	$60,654,842
Wine and Mixed Beverages			
Payment With Return	$ 8,083,098	$ 217,531	$ 8,300,629
Other Payments	58,379	-	58,379
Total	$ 8,141,477	$ 217,531	$ 8,359,008
Brewers' Wort and Malt			
Payment With Return	624	-	$ 624
Grand Total	$67,283,415	$1,731,059	$69,014,474

Table 14

ALCOHOLIC BEVERAGE TAX LIABILITY, AS REPORTED ON RETURNS, FISCAL YEARS 1979, 1980, AND 1981

	Amount Of Tax		
Type of Beverage	1979	1980	1981
Beer	$ 2,706,783	$ 3,015,677	$ 3,203,458
Malt Beverage	34,973,230	36,439,763	57,015,475
Wine 14% or less alcohol	2,199,284	2,373,030	4,063,818
Wine 14-21% alcohol	1,453,713	1,457,088	1,810,781
Mixed Beverages	852,395	864,932	1,076,230
Vermouth	204,890	207,443	219,285
Sparkling Wine	861,829	902,900	991,149
Total	$43,252,125	$45,260,833	$68,380,196

Note: Amounts represent tax liability as opposed to tax payments in Table 13.

HORSE RACING TAX

Ohio has permitted horse racing and pari-mutuel wagering on horse racing since 1933. The regulation of horse racing is the responsibility of the State Racing Commission which consists of five members appointed by the Governor and confirmed by the Ohio Senate. The State Racing Commission issues racing permits and sets the racing dates for each meet. Since 1953, the Department of Taxation has administered the tax on pari-mutuel wagering.

Permit holders retain 17.5% of all money wagered as their commission. From this commission, permit holders pay 5.5% of the amount wagered daily for purses and pay the pari-mutuel tax on wagering to the state. In addition, harness and quarter horse permit holders pay 0.5% of the amount wagered into the Ohio Fairs Fund and 0.5% of the amount wagered into the Ohio Standardbred Development Fund or the Quarter Horse Development Fund. Permit holders also retain the first $2,000 of the total racing meet "breakage" (the odd cents remaining after pari-mutuel winning tickets are paid off at the next lowest multiple of ten cents) plus 75% of the remaining breakage. The other 25% of the breakage goes to the state. Permit holders must use 40% of their share of the breakage for purse money.

The state pays part of the wagering tax receipts on commercial harness, quarter horse, and thoroughbred racing to special funds: 0.5% of the amount wagered into the Ohio Thoroughbred Race Fund and 0.5% of the amount wagered on thoroughbred racing into the Ohio Fairs Fund. In addition, permit holders who make capital improvements to existing tracks or who construct new tracks (including the reconstruction of tracks damaged by fire or other cause) may reduce their tax by 0.5% of the amount wagered, subject to approval by the State Racing Commission. This reduction is restricted to a maximum of 70% of the cost of construction and constitutes a further cost to the state. The remaining wagering tax and state share of breakage go into the state General Revenue Fund. The receipts from the tax on wagering at county fairs go to the Agricultural Society of the county in which the racing takes place.

The total amount wagered on horse racing in fiscal year 1981 decreased 3.5% from 1980, and total receipts to the state and special funds decreased almost 4%. Extensive changes in the horse racing laws will occur during fiscal year 1982 and are described in the **"Recent Legislation"** section below.

TAX BASE (R.C. 3769.08):

1. Amount wagered each day at each horse race meeting.
2. Total amount wagered at each horse race meeting of a permit holder.
3. Breakage (the odd cents remaining after winning tickets are paid in multiples of ten cents).

RATES (R.C. 3769.08):

1. Pari-mutuel wagering tax:

Amount Wagered Daily	Harness Racing	Quarter Horse Racing*	Thoroughbred Racing
First $ 50,000	4.0%	1.0%	
Next $ 50,000	5.0%	3.0%	6.5% on total wagered
Next $100,000	6.0%	5.0%	
Next $350,000	7.0%	7.0%	
Over $550,000	7.5%	7.5%	

*Rates in effect through January 15, 1984.

2. Breakage Tax: 25% of the amount remaining in excess of $2,000 of the odd cents accumulated during a racing meet after winning tickets are paid off at the next lowest multiple of ten cents.

RATES (cont'd):

3. Additional Pari-Mutuel Wagering Tax (R.C. 3769.081): This money is divided equally between the municipal corporations and townships in which racing took place and is meant to reimburse these areas for expenses incurred due to racing meets. The municipal corporations and townships receiving the money may reimburse an adjoining political subdivision which also incurred costs because of racing meets. The tax is levied as follows:

Total Amount Wagered Each Horse Racing Meet	Rate
Less than $5,000,000	0.10%
$5,000,000 or more	0.15%

The maximum tax liability is $15,000.

EXEMPTIONS AND CREDITS (R.C. 3769.081):

Agricultural Societies are not subject to the additional pari-mutuel wagering tax.

WHO REMITS TAX (R.C. 3769.08):

Horse race permit holders.

PAYMENT DATES (R.C. 3769.081, 3769.10):

Each day of racing: Tax Commissioner's agent collects the pari-mutuel wagering tax and breakage tax.

Close of racing meet: Within ten days, the additional pari-mutuel wagering tax is collected and forwarded immediately to the municipal corporation(s) or township(s) in which the racing meet took place.

DISPOSITION OF REVENUE:

Agricultural Society (R.C. 3769.08)
General Revenue Fund (R.C. 3769.10)
Ohio Fairs Fund (R.C. 3769.082)
Ohio Thoroughbred Race Fund (R.C. 3769.083)
Quarter Horse Development Fund (R.C. 3769.086)
Standardbred Development Fund (R.C. 3769.085)
Township and municipal operating revenue (R.C. 3769.081)

SPECIAL PROVISIONS:

1. Ohio Fairs Fund (R.C. 3769.08, 3769.082): To be used in the general operation of county and independent Agricultural Society fairs and for purses of specified races conducted at these events.

   Thoroughbred racing: From the pari-mutuel wagering tax paid to the Tax Commissioner by permit holders, one-half of one percent of the amount wagered each day.

   Harness and quarter horse racing: From the amount retained by race track permit holders, one-half of one percent of the amount wagered each day.

2. Ohio Thoroughbred Race Fund (R.C. 3769.08, 3769.083): To be used for improved breeding of Ohio thoroughbred horses and to promote races and provide purses for thoroughbred racing.

SPECIAL PROVISIONS (cont'd):

From the pari-mutuel wagering tax paid to the Tax Commissioner by all permit holders, one-half of one percent of the amount wagered each day.

3. Quarter Horse Development Fund (R.C. 3769.08, 3769.086): To be used for improved breeding of quarter horses in Ohio and to provide purses for quarter horse racing.

   From the amount retained by quarter horse permit holders, one-half of one percent of the amount wagered each day.

4. Standardbred Development Fund (R.C. 3769.08, 3769.085): To be used for improved breeding of Ohio horses and to provide purses for specified harness racing.

   From the amount retained by harness race permit holders, one-half of one percent of the amount wagered each day.

5. Capital Improvement Deduction (R.C. 5769.08): With the approval of the State Racing Commission, permit holders making capital improvements, constructing new racing facilities, or reconstructing a facility damaged by fire or other cause can reduce taxes paid by one-half of one percent of the amount wagered for a period of from 6 to 12 years, or up to 70% of construction costs, whichever occurs first.

6. A race track closed due to fire or other cause can make up the days of racing lost during the first three years succeeding the reopening of the track (upon the approval of the State Racing Commission).

RECENT LEGISLATION:

Am. Sub. H.B. 330, effective July 13, 1981.

Following are the significant provisions of this act affecting taxation:

R.C. 3769.07: Allows five days of additional racing.

R.C. 3769.08: Reduces the wagering tax on thoroughbred racing to 5.25% over a period of three years.

Increases the amount credited to the Ohio Thoroughbred Race Special Account (previously called the Thoroughbred Race Fund) to 0.75% of amount wagered over a period of three years.

Increases the amount credited to the Ohio Standardbred Development Fund and the Quarter Horse Development Fund to 0.625% of the amount wagered.

Reduces the wagering tax on harness racing to graduated rates of 1.5% to 4.5% over a period of three years.

Increases the capital improvements reduction to 0.75% of the amount wagered, increases the number of years the reduction may be in effect, and expands the types of capital improvements for which the credit may be taken.

R.C. 3769.087: Imposes an additional 2.5% tax on wagering other than win, place, and show. The additional tax applies to the daily double, quinella, perfecta, and trifecta wagering.

R.C. 3769.088: Strengthens the Tax Commissioner's assessment procedures and penalties against permit holders who fail to pay the taxes levied.

Table 15

AMOUNT WAGERED ON HORSE RACING AND TOTAL TAX AND SPECIAL FUND COLLECTIONS, BY TYPE OF EVENT, FISCAL YEARS 1977 - 1981

Fiscal Year	Running Meets	Quarter Horse & Commercial Harness Meets	Agricultural Societies (Harness)	Total
		Total Amounts Wagered		
1977	$197,377,290	$140,476,346	$2,851,790	$340,705,426
1978	204,904,650	157,074,838	3,077,875	365,057,363
1979	231,253,045	203,061,742	3,599,838	437,914,625
1980	249,189,308	194,889,824	3,724,117	447,803,249
1981	229,369,573	198,635,198	3,951,205	431,955,976
		Collections		
1977	$13,261,001	$ 8,101,621	$139,222	$21,501,844
1978	13,396,428	9,092,218	147,914	22,636,560
1979	14,906,798	11,660,977	177,085	26,744,860
1980	15,631,824	11,130,471	185,176	26,947,471
1981	14,327,668	11,357,499	195,691	25,880,858

Table 16

AMOUNT WAGERED ON HORSE RACING, TAX COLLECTIONS AND ALLOCATION TO FUNDS, BY MEET, FISCAL YEAR 1981

	Thoroughbred (Running) Meets	Commercial Harness Race Meets and Quarter Horse Meets	County Agricultural Societies	Grand Total
Amount Wagered	$229,369,573	$198,635,198	$3,951,205	$431,955,976
Number of Days	372	635	184	1,191
General Revenue Fund:				
Amount Levied	$ 13,087,790	$ 9,181,411	- -	$ 22,269,201
Capital Improvement Credit	- 1,053,820	- 815,161	- -	- 1,868,981
Net General Fund Total	$ 12,033,970	$ 8,366,250	- -	$ 20,400,220
Agricultural Societies Total	- -	- -	$ 156,178	$ 156,178
Special Funds:				
Ohio Fairs Fund	$ 1,146,849	$ 997,177	$ 19,756	$ 2,163,782
Thoroughbred Race Fund	1,146,849	996,895	- -	2,143,744
Standardbred and Quarter Horse Funds	- -	997,177	19,756	1,016,933
Special Funds Total	$ 2,293,698	$ 2,991,249	$ 39,512	$ 5,324,459
Total Receipts	$ 14,327,668	$ 11,357,499	$ 195,690	$ 25,880,857

SEVERANCE TAX

The severance tax, first levied in 1972, is paid by persons or firms which extract or sever certain natural resources from the soil or waters of Ohio. The tax produced $4.2 million in fiscal year 1981, about 38% of it from the levy on coal. Severers are licensed by the Tax Commissioner or other designated state agencies.

TAX BASE (R.C. 5749.02):

The tax is levied on the weight or volume of certain natural resources extracted from the soil or water of Ohio.

RATES (R.C. 5749.02):

Coal, Salt	4 cents per ton
Oil	3 cents per barrel
Natural Gas	1 cent per 1,000 cubic feet
Limestone, Dolomite, Sand, Gravel	1 cent per ton

EXEMPTIONS AND CREDITS (R.C. 5749.03):

$1,000 exemption annually for natural resources used on the land from which they are taken by the severer as part of the improvement of or use in his homestead.

TAXPAYER (R.C. 5749.02):

Each severer.

PAYMENT DATES (R.C. 5749.06):

Quarterly:	May 15	For quarterly periods ending the last day of March, June, September and December, respectively.
	August 14	
	November 14	
	February 14	

DISPOSITION OF REVENUE (R.C. 5749.02):

75% of revenue to the unreclaimed lands fund for reclamation of land affected by mining; the remaining 25% to the oil and gas well plugging fund.

OHIO REVISED CODE CITATIONS:

Chapter 5749.

RECENT LEGISLATION:

Sub. H.B. 1051, effective April 9, 1981.

R.C. 5749.02: Imposes an additional, temporary 1-cent-per-ton tax on the severance of coal in the event that the balance of the reclamation special account is reduced below $2 million and

RECENT LEGISLATION (cont'd):

$500,000 has been transferred to the account. The tax remains in effect until the end of the calendar year in which the balance of the reclamation special account is restored to $2 million.

Table 17

SEVERANCE TAX COLLECTIONS, FISCAL YEARS 1979-1981

Natural Resource	Tax Rate	1979	1980	1981
Coal	4 cents per ton	$1,938,844	$1,674,846	$1,588,426
Natural Gas	1 cent per 1,000 cu. ft.	1,132,428	1,249,618	1,348,649
Limestone	1 cent per ton	469,801	434,305	357,778
Oil	3 cents per barrel	298,899	329,768	382,561
Gravel	1 cent per ton	275,046	262,074	199,811
Sand	1 cent per ton	208,570	197,624	153,437
Salt	4 cents per ton	172,463	134,449	125,752
Dolomite	1 cent per ton	71,125	82,890	41,351
Total		**$4,567,176**	**$4,365,574**	**$4,197,765**

MOTOR VEHICLE FUEL TAX

The motor vehicle fuel tax is composed of four separate tax levies, each with its own tax rate and method of distribution of revenue. The four separate tax levies result in a total of seven cents per gallon. The revenue from the tax is earmarked for highway-related purposes in accordance with Article XII, Section 5a of the Ohio Constitution. Approximately three-fourths is allocated to state highway programs and the remaining one-fourth to local highway programs.

Although the tax is paid by motor vehicle fuel wholesalers and refiners, it is passed on to users or consumers of the fuel as a portion of the purchase price. Certain exemptions, refunds, or partial refunds are provided, including fuel used for non-highway purposes and fuel consumed by local transit authority buses.

Effective July 1, 1981, Am. Sub. H.B. 102 imposed an additional variable rate "cents-per-gallon" motor fuel tax of 3.3 cents. The total rate is 10.3 cents and will remain in effect until March 1, 1982 at which time a new rate will be effective. (See **"Recent Legislation"** section.)

TAX BASE (R.C. 5735.05):

Gallons of motor vehicle fuel sold, used, or distributed in Ohio.

RATE (R.C. 5735.05):

Seven cents per gallon.

EXEMPTIONS AND CREDITS:

1. Dealers may claim certain deductions from their reported gallonage. These deductions are based on the transactions which are detailed below (R.C. 5735.05):
    - (a) Sales made either by tank car or cargo lots for purposes other than propelling motor vehicles on public highways or on waters within Ohio.
    - (b) Sales of motor fuel made by licensed dealers to other licensed dealers for delivery by tank car or boat.
    - (c) Export of motor fuel to other states or foreign countries.
    - (d) Sales for exclusive use of the United States Government or its agencies.
    - (e) Sales of motor fuel that is in the process of transportation in either interstate or foreign commerce.
    - (f) Sale of motor fuel to be used exclusively for the propulsion of aircraft.

2. Claims for the refund on gallons of motor fuel previously taxed and passed on to consumers may be based on (R.C. 5735.14):
    - (a) Fuel used in the following ways: to operate or propel stationary gas engines; tractors used for off-highway purposes; unlicensed motor vehicles used exclusively in intraplant operations.
    - (b) Motor fuel used by seagoing vessels in the following ways: vessels used entirely for commercial purposes such as trade or fishing; vessels used in Boy Scout training; vessels used or owned by railroad car ferry companies; vessels used or owned by federal, state, and local governments.
    - (c) Fuel used for cleaning or dyeing.
    - (d) Motor fuel used by local transit systems. Fuel used by transit systems is reimbursed for six of the seven-cents-per-gallon tax paid.

TAXPAYER:

The tax is paid initially by the motor vehicle fuel dealers, i.e., wholesalers and refiners.

FILING AND PAYMENT DATES (R.C. 5735.07):

20th day of each month -- Dealer's report to Tax Commissioner due on or before this date on all motor fuel gallonage for preceding calendar month.

27th day of each month -- Statement of Tax Commissioner to Auditor of State due showing amount of taxable gallonage for which each dealer is liable.

30th day of each month -- Returns due for preceding month from persons transporting motor vehicle fuel.

Last day of each month -- Tax payment to Treasurer due on or before this day. Auditor's statement to Treasurer of State due on or before this date, showing amount of tax and penalties due from each dealer.

DISPOSITION OF REVENUE (R.C. 5735.23):

The seven-cents-per-gallon tax is separated among four funds with each fund being further subdivided as to allocation of revenue.

Prior to the disposition of revenue, one-half of 1% of the tax collected is transferred to the Waterways Safety Fund.

Tax Rate	Disposition of Revenue
2 cents per gallon (R.C. Section 5735.05)	(R.C. Section 5735.23) Gasoline Excise Tax Fund for distribution as follows:(1) - 30% to municipal corporations in proportion to their motor vehicle registrations; - 25% to all counties of the state by equal division; - 45% to the state.
2 cents per gallon (R.C. Section 5735.25)	(R.C. Sections 5735.26, 5735.27) Highway Construction Fund for distribution as follows:(1)(2) - 67.5% to the state; - 7.5% in equal amounts to all the counties of the state; - 7.5% to municipalities in proportion to their motor vehicle registrations; - 17.5% to all the townships of the state by equal division.
2 cents per gallon (R.C. Section 5735.29)	(R.C. Section 5735.291) Supplementary Highway Construction Fund:(1)(2) - 100% to the state.
1 cent per gallon (R.C. Section 5728.16)	(R.C. Section 5728.16) All to the state for highway bond retirement funds, as long as required; thereafter, to the supplementary highway construction fund.

(1) This levy is to be used for highway bond retirement as required.
(2) Certain costs of administering the tax laws are deducted by statute and allocated to the general fund.

OHIO REVISED CODE CITATIONS:

Chapters 5728 and 5735.

RECENT LEGISLATION:

Am. Sub. H.B. 102, effective July 1, 1981.

R.C. 5735.011 and 5735.05: Impose a variable motor fuel tax rate in addition to the 7-cents-per-gallon rate. The variable rate is to be computed by February 10th of 1982, 1983, and 1984 and is effective on March 1st of each year. The variable rate is based on the cost of highway maintenance for the previous calendar year compared to 1975 and gasoline consumption for the previous fiscal year compared to gasoline consumption for fiscal year 1975. This variable rate is limited to 5¢ (for a total maximum rate of 12¢).

R.C. 5735.06: Requires motor fuel dealers to file monthly reports with State Treasurer together with payment of the reported liability. The State Treasurer forwards the reports to the Tax Commissioner.

R.C. 5735.061: Any increase in the tax rate on motor vehicle fuel effective March 1st of 1982, 1983, or 1984 applies to motor vehicle fuel held in inventory as of those dates. Dealers receive refunds on the fuel in inventory if the rate is decreased in any year.

R.C. 5735.12: Enacts new assessment, penalty, and appeal procedures.

R.C. 5735.122, 5735.13, 5735.14, 5735.141 and 5735.142: Permits refunds of any overpayments. No refund claims permitted for the amount of tax paid on fewer than 100 gallons.

R.C. 5735.145: Enacts a tax credit of 35¢ for each gallon of ethanol or methanol that is blended with unleaded gasoline with the blend used as motor vehicle fuel (gasohol). Therefore, the effective credit per gallon of gasohol (assuming the usual 10% blend of ethanol or methanol) would be 3.5¢.

R.C. 5735.23: The tax levied by the variable rate is credited to the State and Local Government Highway Distribution Fund for distribution as follows: 10.7% to municipalities; 5% to townships; 9.3% to counties; 75% to the state.

R.C. 5735.31: Levies an excise tax (equal to total motor fuel tax rate) on fuel purchased outside of Ohio and used in Ohio by taxpayers subject to the highway use tax. Taxpayers must either purchase fuel in Ohio equivalent to the amount consumed in Ohio or pay the excise tax on the difference between the amount purchased in Ohio and the amount consumed in Ohio. Refunds are allowed for fuel purchased in Ohio and used outside of the state.

Section 2: Repeals existing Sections 5735.10 and 5735.12 which concern motor fuel tax assessments and penalties.

Section 3: The Tax Commissioner shall compute a new variable rate to be effective for the period from July 1, 1981 through February 28, 1982.

Am. H.B. 638, effective July 2, 1981.

R.C. 5735.06: Monthly reports are due by the last day of the month.

R.C. 5735.13, 5735.14, 5735.141, 5735.142, and 5735.17: Refunds are reduced by 35¢ for each gallon of ethanol or methanol which is blended with unleaded gasoline and is included in the total gallonage for refund claim. Therefore, refunds are reduced by 3.5¢ for every gallon of gasohol included (assuming the usual 10% blend of ethanol or methanol).

R.C. 5735.145: No tax credit is allowed for gasohol if the ethanol or methanol portion of the blend exceeds 10%.

RECENT LEGISLATION (cont'd):

Section 2: Repeals existing Sections 5735.07, 5735.11, 5735.21, and 5735.22.

- Section 5735.07 required dealers to file reports with the Tax Commissioner by the 20th of each month.
- Section 5735.11 required the Tax Commissioner to transmit a statement to the State Auditor by the 27th of each month showing the taxable gallonage for each dealer. State Auditor was required to transmit a copy to the State Treasurer by the last day of each month.
- Sections 5735.21 and 5735.22 concerned the certification of delinquent taxes by the State Treasurer to the State Auditor and the collection of delinquencies by the Attorney General.

Table 18

GROSS AMOUNT OF MOTOR VEHICLE FUEL TAX CERTIFIED FOR COLLECTION, REFUNDS AND NET TAX AFTER REFUNDS, FISCAL YEARS 1977-1981

Fiscal Year	Certified for Collection	Numbers of Refunds Approved	Amount Certified For Refund	Net Tax After Refund
1977	$408,516,350	71,633	$10,862,581	$397,653,769
1978	416,640,419	63,652	10,850,248	405,790,171
1979	427,036,551	59,759	10,425,519	416,611,032
1980	401,816,863	55,350	10,051,006	391,765,857
1981	386,616,530	49,965	8,743,441	377,873,089

Table 19

TAXABLE GALLONS OF MOTOR VEHICLE FUEL, FISCAL YEARS 1977-1981

	1977	1978	1979	1980	1981
Gasoline	5,212,796,727	5,284,830,496	5,365,114,252	4,999,104,871	4,723,145,064
Special Fuels	622,571,555	666,914,827	735,316,207	730,857,205	732,431,141
Total	**5,835,368,282**	**5,951,745,323**	**6,100,430,459**	**5,729,962,076**	**5,455,576,205**

Table 20

MOTOR VEHICLE FUEL TAXES DISTRIBUTED TO LOCAL GOVERNMENTS,
CALENDAR YEAR 1980, BY COUNTY

County	Total	Amount To Counties	Amount To Townships	Amount To Municipalities	County	Total	Amount To Counties	Amount To Townships	Amount To Municipalities
Adams	$ 711,678	$ 420,000	$ 234,000	$ 57,678	Logan	$ 825,343	$ 420,000	$ 265,200	$ 140,143
Allen	1,040,908	420,000	187,200	433,708	Lorain	2,163,999	420,000	280,800	1,463,199
Ashland	818,116	420,000	234,000	164,116	Lucas	3,188,628	420,000	171,600	2,597,028
Ashtabula	1,183,229	420,000	421,200	342,029	Madison	731,376	420,000	218,400	92,976
Athens	769,344	420,000	218,400	130,944	Mahoning	1,553,904	420,000	218,400	915,504
Auglaize	811,484	420,000	218,400	173,084	Marion	931,192	420,000	234,000	277,192
Belmont	931,994	420,000	249,600	262,394	Medina	1,119,816	420,000	265,200	434,616
Brown	735,258	420,000	249,600	65,658	Meigs	665,440	420,000	187,200	58,240
Butler	1,711,572	420,000	202,800	1,088,772	Mercer	773,532	420,000	218,400	135,132
Carroll	677,044	420,000	218,400	38,644	Miami	1,006,320	420,000	187,200	399,120
Champaign	716,416	420,000	187,200	109,216	Monroe	734,001	420,000	280,800	33,201
Clark	1,090,568	420,000	156,000	514,568	Montgomery	3,114,696	420,000	202,800	2,491,896
Clermont	751,264	420,000	218,400	112,864	Morgan	664,780	420,000	218,400	26,380
Clinton	744,132	420,000	202,800	121,332	Morrow	712,688	420,000	249,600	43,088
Columbiana	1,049,364	420,000	280,800	348,564	Muskingum	1,047,556	420,000	390,000	237,556
Coshocton	889,620	420,000	343,200	126,420	Noble	677,044	420,000	234,000	23,044
Crawford	897,924	420,000	249,600	228,324	Ottawa	717,908	420,000	187,200	110,708
Cuyahoga	9,057,592	420,000	62,400	8,575,192	Paulding	663,686	420,000	187,200	56,486
Darke	905,592	420,000	312,000	173,592	Perry	723,912	420,000	218,400	85,512
Defiance	764,052	420,000	187,200	156,852	Pickaway	763,108	420,000	234,000	109,108
Delaware	853,852	420,000	280,800	153,052	Pike	675,874	420,000	218,400	37,474
Erie	881,568	420,000	140,400	321,168	Portage	1,079,404	420,000	280,800	378,604
Fairfield	963,372	420,000	202,800	340,572	Preble	731,756	420,000	187,200	124,556
Fayette	676,388	420,000	156,000	100,388	Putnam	760,193	420,000	234,000	106,193
Franklin	5,574,180	420,000	265,200	4,888,980	Richland	1,227,932	420,000	280,800	527,132
Fulton	742,136	420,000	187,200	134,936	Ross	880,848	420,000	249,600	211,248
Gallia	699,875	420,000	234,000	45,875	Sandusky	812,340	420,000	187,200	205,140
Geauga	754,072	420,000	249,600	84,472	Scioto	860,952	420,000	249,600	191,352
Greene	1,340,252	420,000	187,200	733,052	Seneca	917,344	420,000	234,000	263,344
Guernsey	841,512	420,000	296,400	125,112	Shelby	803,100	420,000	218,400	164,700
Hamilton	4,260,448	420,000	187,200	3,653,248	Stark	1,884,080	420,000	265,200	1,198,880
Hancock	983,460	420,000	265,200	298,260	Summit	3,393,384	420,000	202,800	2,770,584
Hardin	769,720	420,000	234,000	115,720	Trumbull	1,560,780	420,000	374,400	766,380
Harrison	712,950	420,000	234,000	58,950	Tuscarawas	1,145,356	420,000	343,200	382,156
Henry	727,673	420,000	202,800	104,873	Union	717,312	420,000	218,400	78,912
Highland	773,980	420,000	265,200	88,780	Van Wert	719,039	420,000	187,200	111,839
Hocking	645,476	420,000	171,600	53,876	Vinton	634,824	420,000	187,200	27,624
Holmes	672,024	420,000	218,400	33,624	Warren	921,000	420,000	171,600	329,400
Huron	974,264	420,000	319,200	235,064	Washington	949,188	420,000	343,200	185,988
Jackson	705,596	420,000	187,200	98,396	Wayne	976,933	420,000	249,600	307,333
Jefferson	980,632	420,000	218,400	342,232	Williams	743,908	420,000	187,200	136,708
Knox	906,396	420,000	343,200	143,196	Wood	1,073,786	420,000	273,600	380,186
Lake	1,658,588	420,000	78,000	1,160,588	Wyandot	713,792	420,000	202,800	90,992
Lawrence	800,549	420,000	218,400	162,149					
Licking	1,268,464	420,000	405,600	442,864	Total	$103,386,632	$36,960,000	$20,576,400	$45,850,232

SOURCE: Ohio Auditor of State.

HIGHWAY USE TAX

The highway use tax is an axle-mile tax levied on commercial vehicles in relation to varying combinations of number of axles and miles traveled by the vehicles. Enacted in 1953, it was intended primarily for highway bond retirement and is still used mainly for that purpose. In fiscal year 1981, highway use tax collections were approximately $48.2 million and there were 145,197 new highway use permits issued.

The highway use tax rates range from one-half cent per mile to two and one-half cents per mile depending on the number of axles of the vehicle. As in past years, the majority of the tax revenue in fiscal year 1981 was generated by those vehicles in the two-cents-per-mile bracket. Vehicles in this rate bracket also represented the majority of permit holders.

BASE AND RATES (R.C. 5728.06):

The highway use tax is levied on the following vehicles for each mile traveled on a public highway in Ohio at the rates shown:

Vehicle	Rate
Commercial car with 3 or more axles	0.5 cent per mile
Commercial tandem with 3 axles, and each commercial tractor operated as part of a commercial tractor combination with 3 axles	1 cent per mile
Commercial tractor operated as part of a commercial tractor combination with 4 axles	1.5 cents per mile
Commercial tractor operated as part of a commercial tractor combination with a total of 5 or more axles	2 cents per mile
Commercial car or commercial tractor operated as part of a commercial tandem with 4 or more axles	2.5 cents per mile

EXEMPTIONS (R.C. 5728.01, 5728.13):

1. Vehicles owned and operated by the U.S. Government, the State of Ohio, or any political subdivisions thereof are exempt from the tax;
2. Vehicles owned by nonresidents of Ohio are exempt from tax while engaged solely in interstate transportation of household goods in Ohio, provided the owners are residents of a state which grants reciprocity to Ohio;
3. Miles driven on the Ohio Turnpike.

PAYMENT DATES (R.C. 5728.08):

January 20 April 20 July 20 October 20	Return and payment due for preceding three months.

DISPOSITION OF REVENUE (R.C. 5728.08):

1. General Revenue Fund -- amount equal to appropriations for administration of the tax.
2. Balance to specified highway bond retirement funds as long as needed; thereafter, all to the supplementary highway construction fund.

OHIO REVISED CODE CITATIONS:

Chapter 5728.

Table 21

HIGHWAY USE TAX LIABILITY BY TYPE OF PERMIT HOLDERS, FISCAL YEARS 1976 - 1981[a]

Permit Holders	1976	1977	1978	1980	1981
Ohio	$17,212,518	$18,826,624	$19,800,342	$19,343,920	$18,516,955
Foreign	22,546,348	24,759,717	26,352,416	28,080,142	28,218,529
Unidentified	276,444	692,086	878,204	1,526[b]	1,441,727
Total	$40,035,310	$44,278,427	$47,030,962	$47,425,588	$48,177,211

[a] 1979 data is not available.

[b] Unidentified permit holders data for the final three quarters of FY 1980 is not available.

Table 22

HIGHWAY USE TAX LIABILITY BY TYPE OF PERMIT HOLDER AND TAX RATE CLASSIFICATION, FISCAL YEAR 1981

	Tax Rate Per Mile					
Permit Holders	0.5 Cent	1 Cent	1.5 Cents	2 Cents	2.5 Cents	Total Tax Levied
Ohio	$ 924,123	$392,341	$1,635,102	$14,684,566	$ 880,823	$18,516,955
Foreign	110,922	378,462	1,944,477	24,181,971	1,602,697	28,218,529
Unidentified	4,000	9,941	46,645	1,371,391	9,750	1,441,727
Total	$1,039,045	$780,744	$3,626,224	$40,237,928	$2,493,270	$48,177,211
Fees From New Permits[a]						290,394
Grand Total						$48,467,605

[a] Total number of new permits issued: 145,197 (permit fee is two dollars).

Table 23

AVERAGE NUMBER OF HIGHWAY USE TAX PERMITS AND TOTAL MILEAGE SUBJECT TO TAX BY TAX RATE CLASSIFICATION, FISCAL YEAR 1981

	Tax Rate Per Mile					
Permit Holders	0.5 Cent	1 Cent	1.5 Cents	2 Cents	2.5 Cents	Total
Ohio	14,735	5,005	8,238	46,195	4,505	78,678
Foreign	2,893	4,938	16,736	167,105	8,826	200,498
Unidentified	90	161	498	71,732	73	72,554
Total	17,718	10,104	25,472	285,032	13,404	351,730
Mileage						
Ohio	184,825,557	39,234,104	109,006,814	734,228,318	35,232,915	1,102,526,708
Foreign	22,184,473	37,846,218	129,631,806	1,209,098,538	64,107,875	1,428,722,793
Unidentified	800,025	994,109	3,109,673	68,569,550	389,981	73,863,338
Total	207,809,055	78,074,431	241,748,293	2,011,896,406	99,730,771	2,605,112,839

PERSONAL INCOME TAX

Ohio's personal income tax law is based closely on federal law to facilitate compliance by the taxpayer and administration by the state. The starting point for computation of the Ohio income tax is federal adjusted gross income as reported on the federal income tax return. After adding and subtracting certain adjustments and subtracting personal exemptions of $650 per person, Ohio's graduated tax rates are applied to the remaining figure (Ohio taxable income) to calculate the tax liability. From this figure, certain credits may be subtracted to arrive at the final personal income tax liability.

Figure 3 illustrates the percentage distribution by income class of 1979 tax returns, federal adjusted gross income, and income tax liability. Tables 24 through 34 also include information compiled from the 1979 Ohio personal income tax returns (due by April 15, 1980). Table 24 contains detailed data from the returns categorized into twenty-nine income classes. The data show that individuals filed 4,064,255 tax returns which reported total federal adjusted gross income of $70.5 billion, an average of $17,340 per return. After making certain additions and subtracting deductions and personal exemptions, taxpayers reported total Ohio taxable income of about $61.2 billion, an average of $15,049 per return. Applying the tax rates to this income and then subtracting allowable tax credits yields a figure for total Ohio personal income tax liability of $943.5 million. This amounts to an average income tax liability of $232.14 per return.

Tables 25 and 26 show a comparison of the 1978 returns and the 1979 returns grouped by major income classes. Note that total tax liability increased from $797.0 million in 1978 to $943.5 million in 1979, a percentage increase of 18.4%. This large growth was due to an increase of 9.8% in Ohio's personal income between tax years 1978 and 1979 and to the natural elasticity of the personal income tax structure.

Table 27 is a simplified version of Table 24 showing some of the major data categorized into just eight income classes. Tables 28, 29, and 30 show tax returns by the same eight income classes, but by filing status -- married joint, married separate, and single. Table 31 classifies the number of returns and tax liability by Ohio taxable income classes rather than federal adjusted gross income classes. The "Ohio taxable income" figure is the amount to which the graduated tax rates of 0.5% to 3.5% are directly applied.

Table 32 contains information on the joint filer credit. A joint return filed by a husband and wife each earning at least $500 of wage income is entitled to a joint filer credit of from 5% to 20% of the tax liability. Table 32 indicates that this credit was claimed by 1,002,119 taxpayers and reduced their tax liability by approximately $27.0 million, an average of $26.91 per return.

Table 33 indicates the number of returns filed, income, and tax liability for residents of each of Ohio's eighty-eight counties. Cuyahoga County had the largest number of returns filed with 579,196 returns reporting $10.8 billion of income, and $155.2 million of income tax liability. Residents of the eleven largest Ohio counties filed 2.3 million out of the state total of 4.1 million income tax returns. Their combined tax liability was $589.9 million, over 63% of the total for all eighty-eight counties. Table 34 indicates the average income per return for residents of each county. Geauga County taxpayers reported the highest figure with an average income per return of $21,161, while Adams County had the lowest average income, $13,015 per return.

Three additional tables indicate income tax data gathered from sources other than the 1979 tax returns. Table 35 compares one-half of the 1979 income tax collections in each county with the amount of state school aid and property tax relief distributed to the county. Under the Ohio Constitution and state law, at least one-half of income tax collections must be returned to the county of origin. This table indicates that this requirement was exceeded in every county.

Table 36 shows the number of returns and amount of tax dollars processed by the Income Tax Division of the Ohio Department of Taxation during the last two fiscal years. During fiscal year 1981, the Income Tax Division processed over 5.8 million personal income tax returns for all types, including about 4.7 million annual and quarterly estimated individual taxpayer returns and over one million employer withholding returns. Net collections during fiscal year 1981 were $1,134,381,125 after payment of $111,174,270 in refunds. Table 37 shows the monthly distribution of these collections and refunds.

TAX BASE (R.C. 5747.01):

The amount reported as Federal Adjusted Gross Income to the U.S. Internal Revenue Service plus or minus adjustments (see **"General Computation of Tax Liability"** section), according to Ohio income tax law.

RATES (R.C. 5747.02):

Ohio Taxable Income	Tax
0 - $ 5,000	0.5% of Ohio Taxable Income
$ 5,000 - 10,000	$ 25 plus 1% of excess over $ 5,000
10,000 - 15,000	$ 75 plus 2% of excess over $10,000
15,000 - 20,000	$175 plus 2.5% of excess over $15,000
20,000 - 40,000	$300 plus 3% of excess over $20,000
Over $40,000	$900 plus 3.5% of excess over $40,000

SPECIAL PROVISIONS:

1. **Joint Filer Credit (R.C. 5747.05):** A husband and wife who file a joint return are allowed a tax credit if each spouse earns at least $500 of wage income. The credit is a percentage of the tax as shown below:

Ohio Taxable Income	Amount of Credit
$10,000 or less	20% of tax after all other credits
$10,000 - $20,000	12% of tax after all other credits
More than $20,000	5% of tax after all other credits

2. **Military Pay (R.C. 5747.01):** Military pay is taxable (except combat zone pay) no matter where the individual is stationed provided domicile (legal residence) is Ohio. If domicile is in another state, service personnel are not required to pay the Ohio income tax, even though stationed in Ohio.

3. **Reciprocity (R.C. 5747.05):**

   a) An individual who is a resident of Ohio or one of the five surrounding states and whose income consists solely of compensation from any of those states need only file with the state of residence.

   b) Individuals domiciled in Ohio for only a part of the year can deduct all income received during the time not domiciled in Ohio.

4. **Senior Citizen Credit (R.C. 5747.05):** A taxpayer 65 years of age or older during the taxable year is allowed a $25 credit against the amount of Ohio income tax due. Only one $25 credit is allowed for each return.

5. **Home Improvement Credit (R.C. 5747.05):** A homeowner may claim a credit equal to 5% of the cost of home improvements. The home improvements must cost at least $300 and the credit cannot exceed $65. The credit may be claimed only once every three years.

6. **New Equipment Credit (R.C. 5747.05):** Individual taxpayers are allowed a credit against the personal income tax equal to the difference between: (1) the tangible property taxes paid in the taxable year on machinery and equipment used in manufacturing or refining and acquired on or after January 1, 1978; and (2) the tangible property taxes that would have been paid on such property if it had been assessed at 20% of true value. If the credit exceeds the income tax liability in any year, the excess credit may be carried forward to offset liability for the following three years.

[Special Provisions continued on page 45.]

GENERAL COMPUTATION OF TAX LIABILITY:

FEDERAL ADJUSTED GROSS INCOME

(taken directly from federal return)

Add

1. State and local bond interest (except Ohio).
2. Federal bond interest exempt from federal tax but subject to state tax.
3. Accumulation distribution from a complex trust.

Subtract

1. Federal bond interest.
2. Subchapter "S" income (corporation income taxed to shareholders under federal law).
3. Income or income yield from ownership of property on which current non-delinquent intangibles tax has been paid.
4. Up to $4,000 of retirement benefits.
5. Disability and survivors benefits included in federal adjusted gross income.
6. Income earned while a resident of another state.
7. Wages and salaries paid to employees under the federal "targeted jobs credit".

OHIO ADJUSTED GROSS INCOME

Subtract:

Personal exemptions of $650 per person

OHIO TAXABLE INCOME

Apply:

Graduated rates of 0.5% to 3.5%

TAX BEFORE CREDITS

Subtract:

1. Joint filer credit for two working spouses earning at least $500 apiece in wage income.
2. Senior citizen credit of $25 per return.
3. Credit for income taxed by another state.
4. Home improvements credit.
5. Solar, wind, and hydrothermal energy system credit.
6. New equipment purchase credit.

OHIO PERSONAL INCOME TAX LIABILITY

SPECIAL PROVISIONS (cont'd from page 43):

7. **Solar, Wind, or Hydrothermal Energy System Credit (R.C. 5747.05):** A homeowner may claim a credit equal to 10% of the cost of purchase and installation of a solar, wind, or hydrothermal energy system. The credit cannot exceed the tax liability. Any unused credit can be carried forward to the succeeding two taxable years. No credit can exceed $1,000 and the credit can only be claimed once for a given building or structure.

TAXPAYER (R.C. 5747.01):

Every individual and every estate residing in Ohio or earning or receiving income in Ohio.

PAYMENT DATES (R.C. 5747.07-5747.09):

For Individuals:

1. Calendar year taxpayer files an annual return between January 1 and April 15.
2. Fiscal year taxpayer files before the 15th day of the fourth month after the end of the fiscal year.
3. Taxpayers making quarterly declarations must file an annual estimated return on or before April 15 and quarterly payments of the tax must be made on or before April 15, June 15, and September 15 of the current year and January 15 of the next year.

For Employers:

1. If the employer withholds less than $500 during the quarter, payment is made within 30 days after the last day of the quarter ending March, June, September, and December.
2. If the amount to be withheld during the quarter exceeds $500, monthly remittances are made within 10 banking days after the close of each calendar month. The only exception is for the month of June where payment for the first 20 days of the month is due within 3 banking days of June 20. Amounts withheld for the last 10 days of June are due within 10 banking days after the month of July.

DISPOSITION OF REVENUE (R.C. 5747.03):

1. General Revenue Fund (3.5% is subsequently transferred to Local Government Fund).
2. The Ohio Constitution requires that at least 50% of income tax collections be returned to the county of origin. This provision is met through General Revenue Fund allocations to education and local property tax relief (12.5% rollback and homestead exemption).

OHIO REVISED CODE CITATIONS:

Chapter 5747.

RECENT SIGNIFICANT COURT DECISIONS:

Lucas v. Lindley, Board of Tax Appeals, Case No. 78-B-170, August 4, 1980.

The taxability of income with respect to a decedent is determined by the law in effect for the taxable year in which it is included in the adjusted gross income of the recipient upon distribution.

Jenkins v. Lindley, Board of Tax Appeals, Case No. 80-A-149, March 26, 1981.

A taxpayer may not reduce his adjusted gross income for the current taxable year by amounts included in adjusted gross income for prior taxable years that were reimbursed and claimed as a federal itemized deduction in the current year.

FIGURE 3

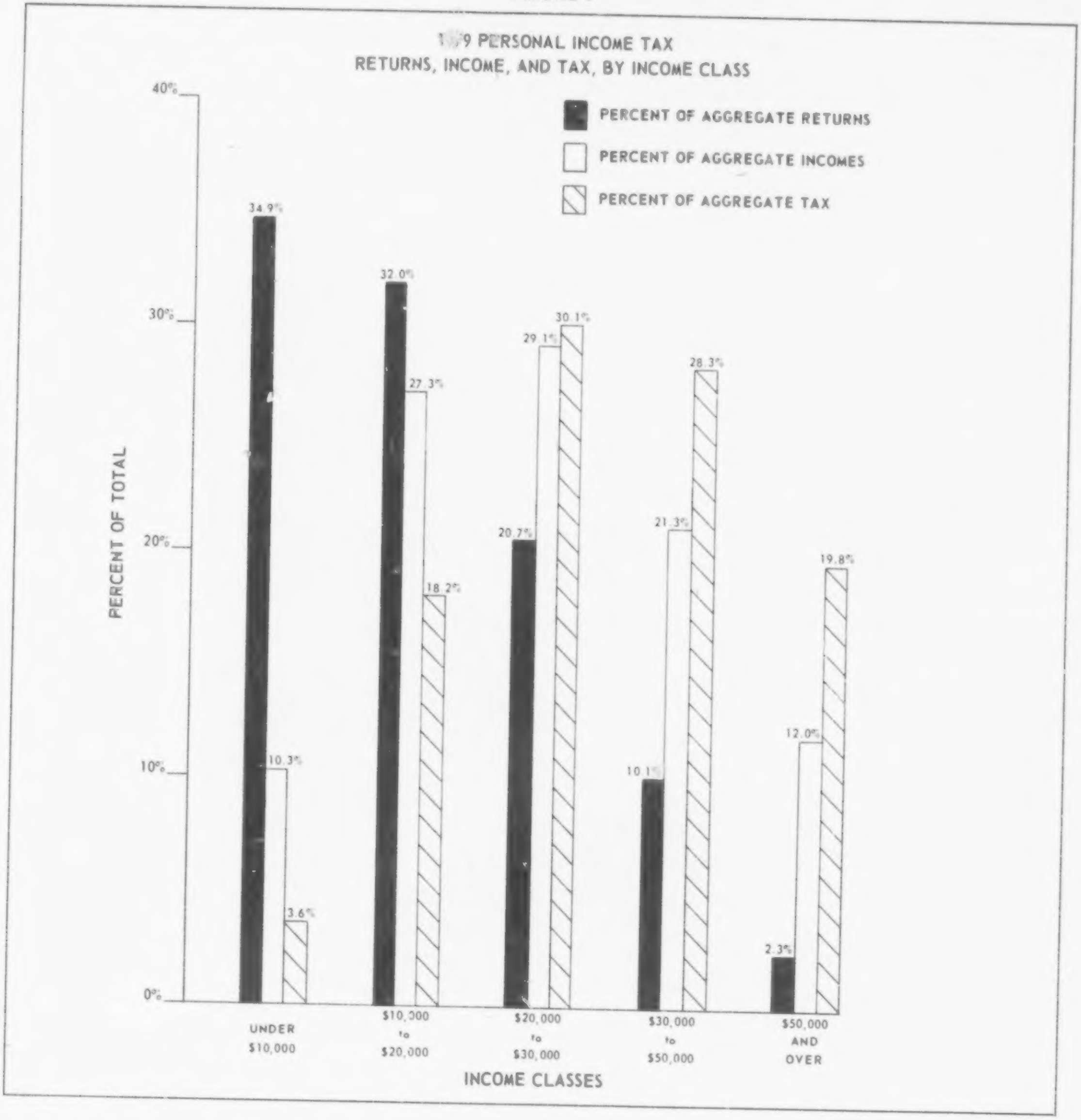


Figure 3 shows the percentage distribution by income class of 1979 personal income tax returns, federal adjusted gross income, and tax liability. Taxpayers earning under $10,000 filed 34.9% of all income tax returns, but earned only 10.3% of total income and paid just 3.6% of the total tax liability. The next largest of taxpayers, those earning $10,000 to $20,000, earned 27.3% of total income and paid 18.2% of the tax. These two groups combined (all those earning less than $20,000) represented 66.9% of all the taxpayers, reported 37.6% of the income, but paid just 21.8% of the total income tax.

In contrast, taxpayers earning more than $50,000, comprised only 2.3% of all tax returns, but reported 12.0% of total income and paid 19.8% of the entire income tax liability. Additional detail on the income distribution of tax returns, income, and tax liability, as well as information on filing status and county statistics, are shown in tables on the following pages.

Table 24

1979 PERSONAL INCOME TAX RETURNS BY INCOME CLASS[(a)]

Income Class Federal Adjusted Gross Income	Number of Returns	Total Federal Adjusted Gross Income	Ohio Adjusted Gross Income	Reported Value of Personal Exemptions	Ohio Taxable Income	Tax Before Credits	Joint Filer Credit	Tax Liability After All Credits
0 - $ 1,000	95,825	$ 58,151,326	$ 57,961,430	$ 71,047,959	$ 10,657,386	$ 263,547	$ 15,217	$ 284,631
$ 1,000 - 2,000	157,387	236,587,406	228,686,749	117,262,448	122,002,007	809,489	1,864	790,289
2,000 - 3,000	153,747	383,382,038	368,114,115	121,395,584	254,404,806	1,529,079	7,550	1,485,301
3,000 - 4,000	145,799	509,245,160	482,945,262	124,490,861	366,932,098	2,183,076	8,790	2,064,831
4,000 - 5,000	136,989	616,053,296	575,113,178	127,727,694	458,928,246	2,611,751	22,336	2,428,692
5,000 - 6,000	139,422	767,788,562	711,670,008	139,101,457	590,270,690	3,382,013	23,962	3,058,829
6,000 - 7,000	149,448	971,444,948	903,225,947	155,663,922	769,359,074	4,605,023	36,574	4,276,537
7,000 - 8,000	146,979	1,102,426,302	1,024,948,191	161,038,809	889,193,161	5,866,853	64,381	5,360,515
8,000 - 9,000	144,930	1,231,827,700	1,152,093,706	165,977,513	1,010,547,610	7,033,910	99,069	6,517,495
9,000 - 10,000	145,953	1,386,670,499	1,305,842,415	173,317,648	1,156,961,666	8,561,866	127,565	7,967,015
10,000 - 11,000	144,208	1,514,195,623	1,429,208,972	177,101,071	1,278,869,833	9,830,644	162,291	9,201,713
11,000 - 12,000	142,064	1,633,500,205	1,545,288,357	182,110,293	1,390,703,912	11,518,902	199,637	10,724,552
12,000 - 13,000	137,696	1,720,796,077	1,634,345,825	185,584,046	1,474,863,589	13,278,679	230,699	12,446,442
13,000 - 14,000	133,358	1,800,342,163	1,714,620,448	188,723,903	1,550,985,329	15,230,976	288,620	14,279,466
14,000 - 15,000	131,971	1,913,439,659	1,828,806,981	196,754,154	1,655,667,560	17,309,237	380,504	16,247,829
15,000 - 16,000	128,236	1,987,514,995	1,907,128,332	200,288,228	1,728,221,192	19,087,773	467,208	18,071,377
16,000 - 17,000	124,696	2,057,250,157	1,977,224,738	205,253,460	1,793,146,657	21,029,949	597,887	19,720,384
17,000 - 18,000	121,934	2,133,694,931	2,053,740,780	210,094,493	1,863,962,042	22,826,837	723,023	21,515,986
18,000 - 19,000	120,600	2,230,853,306	2,151,370,878	215,718,720	1,954,682,698	25,364,400	881,667	23,743,690
19,000 - 20,000	116,991	2,281,192,537	2,201,534,389	216,879,668	2,003,909,167	27,183,775	1,048,628	25,399,240
20,000 - 25,000	497,242	11,122,096,469	10,757,770,819	994,449,881	9,841,923,994	150,170,375	4,968,932	141,583,721
25,000 - 30,000	342,532	9,361,351,797	9,050,813,498	731,146,848	8,379,532,785	149,320,421	4,178,218	142,666,074
30,000 - 35,000	205,962	6,644,172,316	6,391,827,262	449,540,128	5,985,291,277	117,975,564	3,759,750	112,335,169
35,000 - 40,000	112,412	4,187,701,753	3,990,123,973	246,792,127	3,775,773,521	79,219,691	2,639,310	75,539,519
40,000 - 45,000	60,457	2,554,327,022	2,401,661,079	133,052,337	2,291,116,695	50,707,288	1,632,192	48,061,056
45,000 - 50,000	33,711	1,594,352,845	1,475,640,975	74,096,985	1,417,682,047	32,856,461	966,970	31,306,691
50,000 - 100,000	74,249	4,837,212,676	4,331,446,050	165,494,434	4,217,552,729	110,039,532	2,253,495	105,508,276
100,000 - 200,000	15,319	2,026,871,851	1,727,795,832	34,518,298	1,715,806,854	51,755,199	723,307	49,059,166
$200,000 & Above	4,138	1,612,272,754	1,184,549,313	9,027,041	1,215,140,713	38,802,173	466,730	31,832,798
Total	4,064,255[(b)]	$70,476,716,373	$66,565,499,502	$6,173,650,010	$61,164,089,333	$1,000,354,484	$26,976,376	$943,477,281

(a) As reported on returns due April 15, 1980.

(b) Does not include returns filed solely for informational purposes.

Table 25

COMPARISON OF 1978 AND 1979 PERSONAL INCOME TAX RETURNS

Income Class (Federal Adjusted Gross Income)	Number of Returns		Federal Adjusted Gross Income		Ohio Taxable Income		Joint Filer Credit		Ohio Income Tax	
	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979
0 - $ 5,000	729,078	689,747	$ 1,894,556,950	$ 1,803,419,226	$ 1,266,473,700	$ 1,212,924,543	$ 62,752	$ 55,757	$ 7,421,717	$ 7,053,744
$ 5,000 - 10,000	741,187	726,732	5,545,874,369	5,460,158,011	4,442,659,054	4,416,332,201	432,395	351,551	27,567,908	27,180,391
10,000 - 15,000	699,452	689,297	8,721,123,041	8,582,273,727	7,375,519,439	7,351,090,223	1,603,237	1,261,751	62,962,239	62,900,002
15,000 - 20,000	628,070	612,457	10,955,481,763	10,690,505,926	9,489,661,113	9,343,921,756	4,560,948	3,718,413	108,411,168	108,450,677
20,000 - 25,000	479,918	497,242	10,717,721,054	11,122,096,469	9,432,642,223	9,841,923,994	5,462,635	4,968,932	133,463,839	141,583,721
25,000 - 50,000	598,620	755,074	19,022,410,959	24,341,905,732	16,967,291,960	21,849,396,320	10,211,905	13,176,440	313,296,162	409,908,506
50,000 - 100,000	59,126	74,249	3,881,874,055	4,837,212,676	3,361,599,012	4,217,552,729	1,604,536	2,253,495	83,848,620	105,508,276
100,000 and Over	15,488	19,457	2,800,349,781	3,639,144,606	2,248,841,540	2,930,947,567	829,815	1,190,037	60,083,403	80,891,964
Total	3,950,939	4,064,255	$63,539,391,972	$70,476,716,373	$54,584,688,041	$61,164,089,333	$24,768,223	$26,976,376	$797,005,056	$943,477,281

Table 26

COMPARISON OF PERCENTAGE DISTRIBUTIONS OF 1978 AND 1979 PERSONAL INCOME TAX RETURNS

Income Class (Federal Adjusted Gross Income)	Number Of Returns		Federal Adjusted Gross Income		Ohio Taxable Income		Joint Filer Credit		Ohio Income Tax	
	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979
0 - $ 5,000	18.4%	17.0%	3.0%	2.6%	3.0%	2.0%	0.3%	0.2%	0.9%	0.7%
$ 5,000 - 10,000	18.8	17.9	8.7	7.7	8.7	7.2	1.7	1.3	3.5	2.9
10,000 - 15,000	17.7	17.0	13.7	12.2	13.8	12.1	6.4	4.7	7.9	6.7
15,000 - 20,000	15.9	15.0	17.2	15.2	17.6	15.3	18.4	13.8	13.6	11.5
20,000 - 25,000	12.1	12.2	16.9	15.8	17.3	16.0	22.1	18.4	16.8	15.0
25,000 - 50,000	15.2	18.6	30.0	34.5	30.2	35.7	41.2	48.8	39.3	43.4
50,000 - 100,000	1.5	1.8	6.1	6.8	5.7	6.9	6.5	8.4	10.5	11.2
100,000 and Over	0.4	0.5	4.4	5.2	3.7	4.8	3.4	4.4	7.5	8.6
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 27

1979 OHIO PERSONAL INCOME TAX RETURNS FOR ALL FILING STATUS CATEGORIES[a]

Income Class (Federal Adjusted Gross Income)	Number Of Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[b]
0 - $ 5,000	689,747	$ 1,803,419,226	$ 1,212,924,543	$ 7,053,744	0.39%
$ 5,000 - 10,000	726,732	5,460,158,011	4,416,332,201	27,180,391	0.49
10,000 - 15,000	689,297	8,582,273,727	7,351,090,223	62,900,002	0.73
15,000 - 20,000	612,457	10,690,505,926	9,343,921,756	108,450,677	1.01
20,000 - 25,000	497,242	11,122,096,469	9,841,923,994	141,583,721	1.27
25,000 - 50,000	755,074	24,341,905,732	21,849,396,320	409,908,506	1.68
50,000 - 100,000	74,249	4,837,212,676	4,217,552,729	105,508,276	2.18
100,000 and Over	19,457	3,639,144,606	2,930,947,567	80,891,964	2.22
Total	4,064,255	$70,476,716,373	$61,164,089,333	$943,477,281	1.33%

(a) Column totals from tables 28, 29, and 30 will not add to figures presented on this table due to 125,444 returns for which filing status was not indicated, and which have not yet been verified.

(b) Ohio income tax divided by federal adjusted gross income.

Table 28

1979 OHIO PERSONAL INCOME TAX RETURNS CLAIMING MARRIED JOINT FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number of Joint Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	67,811	$ 209,295,435	$ 87,474,686	$ 592,390	0.28%
$ 5,000 - 10,000	181,987	1,403,703,075	949,864,217	4,519,760	0.32
10,000 - 15,000	269,721	3,413,936,924	2,702,717,305	20,413,073	0.59
15,000 - 20,000	367,381	6,467,081,921	5,482,164,600	60,379,851	0.93
20,000 - 25,000	387,665	8,697,517,635	7,629,947,025	107,949,318	1.24
25,000 - 50,000	672,083	21,753,012,040	19,565,719,205	366,998,272	1.69
50,000 - 100,000	66,905	4,357,728,684	3,842,449,773	96,382,694	2.21
100,000 and Over	17,522	3,262,610,613	2,673,001,739	74,585,909	2.28
Total	2,031,075	$49,564,886,327	$42,933,338,550	$731,821,267	1.47%

(a) Ohio income tax divided by federal adjusted gross income.

Table 29

1979 OHIO PERSONAL INCOME TAX RETURNS CLAIMING SINGLE FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number Of Single Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	581,540	$ 1,486,283,875	$ 1,053,296,425	$ 5,971,196	0.39%
$ 5,000 - 10,000	486,128	3,604,303,664	3,086,580,754	20,024,951	0.55
10,000 - 15,000	335,624	4,117,261,524	3,700,439,967	33,748,846	0.81
15,000 - 20,000	179,186	3,084,779,997	2,820,183,637	35,226,860	1.14
20,000 - 25,000	78,158	1,728,549,638	1,578,016,852	24,077,215	1.39
25,000 - 50,000	53,909	1,671,249,225	1,454,562,497	27,067,819	1.61
50,000 - 100,000	5,325	350,423,758	261,749,763	6,273,095	1.79
100,000 and Over	1,584	310,385,510	209,503,253	5,117,325	1.64
Total	1,721,454	$16,353,237,191	$14,164,332,148	$157,507,307	0.96%

(a) Ohio income tax divided by federal adjusted gross income.

Table 30

1979 OHIO PERSONAL INCOME TAX RETURNS CLAIMING MARRIED SEPARATE FILING STATUS

Income Class (Federal Adjusted Gross Income)	Number Of Married Filing Separate Returns	Federal Adjusted Gross Income	Ohio Taxable Income	Ohio Income Tax	Effective Rate[a]
0 - $ 5,000	14,722	$ 42,496,035	$ 28,727,457	$ 180,959	0.43%
$ 5,000 - 10,000	34,428	271,825,622	234,000,587	1,638,924	0.60
10,000 - 15,000	63,687	799,325,764	732,560,170	6,807,184	0.85
15,000 - 20,000	48,755	839,608,326	780,053,033	9,760,488	1.16
20,000 - 25,000	17,447	383,205,336	356,521,337	5,435,609	1.42
25,000 - 50,000	6,919	203,768,322	185,464,994	3,477,374	1.71
50,000 - 100,000	259	16,832,872	12,535,242	298,160	1.77
100,000 and Over	65	21,758,638	10,138,486	191,337	0.88
Total	186,282	$2,578,820,915	$2,340,001,306	$27,790,035	1.10%

(a) Ohio income tax divided by federal adjusted gross income.

Table 31

1979 OHIO PERSONAL INCOME TAX RETURNS ACCORDING TO OHIO TAXABLE INCOME CLASS

Ohio Taxable Income Class	Number of Returns		Joint Filer Credit	Ohio Income Tax	
	Number	Percent of Total		Amount	Percent of Total
0 - $ 5,000	689,747	16.97%	$ 55,757	$ 7,053,744	0.74%
$ 5,000 - 10,000	726,732	17.88	351,561	27,180,391	2.88
10,000 - 15,000	689,297	16.95	1,261,751	62,900,002	6.66
15,000 - 20,000	612,457	15.06	3,718,413	108,450,677	11.49
20,000 - 25,000	497,242	12.24	4,968,932	141,583,721	15.00
25,000 - 30,000	342,532	8.43	4,178,218	142,666,074	15.12
30,000 - 40,000	318,374	7.84	6,399,060	187,874,688	19.92
40,000 - 50,000	94,168	2.32	2,599,162	79,367,744	8.42
50,000 - 100,000	74,249	1.83	2,253,495	105,508,276	11.19
100,000 and Over	19,457	0.48	1,190,027	80,891,964	8.58
Total	4,064,255	100.00%	$26,976,376	$943,477,281	100.00%

Table 32

1979 OHIO PERSONAL INCOME TAX RETURNS CLAIMING THE JOINT FILER CREDIT, BY INCOME CLASS[a]

Income Class (Federal Adjusted Gross Income)	Number Of Returns Claiming Credit	Federal Adjusted Gross Income	Ohio Taxable Income	Joint Filer Credit	Ohio Income Tax
0 - $ 5,000	8,739	$ 31,152,805	$ 16,832,694	$ 55,757	$ 174,685
$ 5,000 - 10,000	46,788	371,850,995	269,048,552	351,561	1,293,569
10,000 - 15,000	100,978	1,289,349,231	1,047,894,804	1,261,751	7,400,379
15,000 - 20,000	167,331	2,956,999,244	2,546,623,703	3,718,413	26,247,450
20,000 - 25,000	208,230	4,685,838,678	4,165,626,047	4,968,932	56,918,856
25,000 - 50,000	435,298	14,168,034,999	12,965,968,883	13,176,440	241,231,081
50,000 - 100,000	29,725	1,870,937,833	1,705,616,815	2,253,495	41,799,643
100,000 and Over	5,030	902,523,314	799,611,029	1,190,027	21,932,335
Total	1,002,119	$26,276,687,099	$23,517,222,527	$26,976,376	$396,997,998

(a) A husband and wife who file a joint return are allowed a tax credit if each spouse earns at least $500 of wage income. The credit is graduated based on income.

Table 33

1979 OHIO PERSONAL INCOME TAX RETURNS, BY COUNTY

County	Number of Returns	Federal Adjusted Gross Income	Ohio Income Tax
Adams	6,369	$ 82,894,401	$ 836,807
Allen	40,979	696,391,165	9,220,772
Ashland	16,712	263,225,987	3,219,206
Ashtabula	36,417	583,763,883	7,211,324
Athens	14,642	207,902,872	2,414,238
Auglaize	16,358	263,482,855	3,295,768
Belmont	29,403	478,404,441	6,071,215
Brown	10,149	149,434,585	1,708,621
Butler	91,402	1,679,792,784	23,508,014
Carroll	8,711	137,387,815	1,700,044
Champaign	12,403	189,786,768	2,272,565
Clark	52,830	864,590,781	11,083,915
Clermont	44,720	773,021,454	10,179,071
Clinton	12,371	188,357,614	2,249,858
Columbiana	39,723	655,022,710	8,285,337
Coshocton	12,739	201,477,645	2,525,064
Crawford	18,875	300,320,605	3,737,902
Cuyahoga	579,196	10,831,659,569	155,159,197
Darke	19,920	306,141,568	3,618,206
Defiance	14,930	261,584,597	3,476,484
Delaware	19,005	337,307,320	4,580,814
Erie	31,292	539,854,834	7,403,643
Fairfield	33,131	564,198,335	7,212,617
Fayette	9,764	142,076,095	1,720,673
Franklin	321,450	5,610,277,031	76,514,121
Fulton	14,564	244,086,018	3,167,260
Gallia	9,546	148,442,895	1,852,014
Geauga	27,598	583,998,511	19,073,819
Greene	45,805	823,920,405	10,983,100
Guernsey	14,297	207,392,135	2,400,458
Hamilton	325,902	6,044,785,205	84,337,301
Hancock	25,229	444,656,920	5,922,710
Hardin	10,690	167,245,304	2,019,613
Harrison	6,204	103,756,596	1,330,553
Henry	11,259	186,179,721	2,376,588
Highland	11,085	150,414,463	1,651,204
Hocking	7,755	110,861,290	1,238,840
Holmes	9,215	121,348,445	1,333,312
Huron	20,530	331,445,771	4,172,785
Jackson	9,357	130,728,544	1,446,014
Jefferson	32,307	585,439,998	8,360,246
Knox	15,207	227,903,960	2,662,829
Lake	85,356	1,584,103,985	22,284,462
Lawrence	19,748	304,629,314	3,744,001
Licking	43,178	718,712,125	9,265,550
Logan	14,173	209,904,992	2,443,228
Lorain	99,793	1,783,069,825	24,441,416
Lucas	173,935	$ 3,149,888,127	$ 44,115,189
Madison	11,112	175,126,029	2,202,145
Mahoning	107,094	1,778,973,325	23,236,570
Marion	24,483	404,390,695	5,175,102
Medina	42,010	805,706,159	11,611,770
Meigs	6,939	101,558,086	1,192,752
Mercer	15,153	236,919,069	2,840,173
Miami	35,002	595,940,937	7,794,724
Monroe	5,511	90,537,470	1,130,557
Montgomery	215,440	3,874,454,886	53,393,787
Morgan	4,270	60,489,278	679,902
Morrow	8,561	131,409,931	1,491,580
Muskingum	28,834	442,811,320	5,477,784
Noble	3,751	55,533,147	661,062
Ottawa	15,806	261,632,020	3,409,873
Paulding	7,641	127,983,398	1,606,831
Perry	9,701	139,941,563	1,596,947
Pickaway	14,576	233,571,500	2,925,311
Pike	6,352	87,238,536	955,610
Portage	48,243	815,281,975	10,903,453
Preble	13,493	215,630,941	2,617,219
Putnam	12,485	199,754,609	2,458,853
Richland	47,973	799,270,037	10,280,237
Ross	21,794	345,313,512	4,324,524
Sandusky	24,383	398,806,396	5,004,467
Scioto	24,366	359,081,703	4,319,944
Seneca	23,235	363,787,452	4,300,999
Shelby	16,415	254,406,788	3,053,653
Stark	143,835	2,497,957,623	33,547,480
Summit	200,129	3,523,821,913	48,590,043
Trumbull	91,708	1,648,494,372	23,024,819
Tuscarawas	31,394	487,306,218	6,074,989
Union	10,595	173,678,680	2,172,807
Van Wert	12,194	196,670,157	2,396,167
Vinton	3,197	42,395,868	471,663
Warren	34,777	613,012,702	8,305,999
Washington	22,479	361,690,536	4,365,727
Wayne	36,558	596,975,900	7,583,078
Williams	14,399	234,384,401	2,968,999
Wood	37,647	700,726,142	9,861,859
Wyandot	8,819	131,978,527	1,593,114
88 Cty. Totals	3,968,578	$69,235,916,064	$935,430,541
Other*	95,677	1,240,800,305	8,046,744
State Total	4,064,255	$70,476,716,369	$943,477,285

*Including returns from out of state filers and returns not indicating county.

Table 34

RANK OF COUNTIES BY AVERAGE INCOME, AS REPORTED ON 1979 OHIO PERSONAL INCOME TAX RETURNS

County	Average Federal Adjusted Gross Income	Percent of State Average	County	Average Federal Adjusted Gross Income	Percent of State Average	County	Average Federal Adjusted Gross Income	Percent of State Average
Geauga	$21,161	122.03%	Harrison	$16,724	96.45%	Mercer	$15,635	90.17%
Medina	19,179	110.60	Richland	16,661	96.08	Gallia	15,550	89.68
Cuyahoga	18,701	107.85	Licking	16,645	95.99	Tuscarawas	15,522	89.51
Wood	18,613	107.34	Mahoning	16,611	95.79	Shelby	15,498	89.38
Lake	18,559	107.03	Ottawa	16,553	95.49	Lawrence	15,426	88.96
Hamilton	18,548	106.96	Henry	16,536	95.36	Darke	15,369	88.63
Butler	18,378	105.98	Marion	16,517	95.25	Muskingum	15,357	88.56
Jefferson	18,121	104.50	Columbiana	16,490	95.10	Morrow	15,350	88.52
Lucas	18,110	104.44	Monroe	16,429	94.74	Champaign	15,301	88.24
Greene	17,988	103.74	Union	16,393	94.54	Clinton	15,226	87.81
Montgomery	17,984	103.71	Clark	16,366	94.38	Knox	14,987	86.43
Trumbull	17,975	103.66	Sandusky	16,356	94.32	Wyandot	14,965	86.30
Lorain	17,868	103.04	Wayne	16,330	94.17	Logan	14,810	85.41
Delaware	17,748	102.35	Williams	16,278	93.87	Noble	14,805	85.38
Warren	17,627	101.65	Belmont	16,271	93.83	Scioto	14,737	84.99
Hancock	17,625	101.64	Huron	16,144	93.10	Brown	14,724	84.91
Summit	17,608	101.54	Van Wert	16,128	93.01	Meigs	14,636	84.41
Defiance	17,521	101.04	Auglaize	16,107	92.89	Fayette	14,551	83.91
Franklin	17,453	100.65	Washington	16,090	92.79	Guernsey	14,506	83.66
Stark	17,367	100.15	Ashtabula	16,030	92.44	Perry	14,425	83.19
			Pickaway	16,024	92.41	Hocking	14,295	82.44
State Average	17,341	100.00	Putnam	16,000	92.27	Athens	14,199	81.89
			Preble	15,981	92.16	Morgan	14,166	81.69
Clermont	17,286	99.69	Crawford	15,911	91.76	Jackson	13,971	80.57
Erie	17,252	99.49	Ross	15,844	91.37	Pike	13,734	79.20
Fairfield	17,029	98.20	Coshocton	15,816	91.21	Highland	13,569	78.25
Miami	17,026	98.19	Carroll	15,772	90.96	Vinton	13,261	76.48
Allen	16,994	98.00	Madison	15,760	90.89	Holmes	13,169	75.95
Portage	16,899	97.46	Ashland	15,751	90.83	Adams	13,015	75.06
Fulton	16,760	96.65	Seneca	15,657	90.29			
Paulding	16,750	96.60	Hardin	15,645	90.22	Other(a)	12,969	74.79

(a) Includes returns from out-of-state filers and returns not indicating county.

Table 35

PERSONAL INCOME TAXES REQUIRED TO BE RETURNED TO COUNTIES OF ORIGIN, SCHOOL FOUNDATION PAYMENTS, AND PROPERTY TAX RELIEF REIMBURSEMENT PAYMENTS, CALENDAR YEAR 1980, BY COUNTY*

County	Income Taxes Required To Be Returned To Counties	Actual Amount Returned For School Foundaton Payments And Property Tax Relief Reimbursements		
		Total Payments	School Foundation	Property Tax Relief
Adams	$ 471,350	$ 1,547,648	$ 1,192,692	$ 354,956
Allen	5,191,165	10,695,828	8,459,326	2,236,502
Ashland	1,812,194	4,451,313	3,436,421	1,014,892
Ashtabula	4,059,926	11,299,974	8,687,925	2,612,049
Athens	1,359,277	6,222,260	5,291,768	930,492
Auglaize	1,855,379	4,243,376	3,361,848	881,528
Belmont	3,417,943	6,643,163	5,622,417	1,020,746
Brown	962,185	3,697,554	3,066,584	630,970
Butler	13,235,179	24,437,282	19,161,652	5,275,630
Carroll	956,919	2,735,598	2,336,418	399,180
Champaign	1,279,227	3,778,024	3,128,629	649,395
Clark	6,240,247	19,311,772	16,310,845	3,000,927
Clermont	5,730,978	18,069,272	15,686,215	2,383,057
Clinton	1,266,587	4,110,873	3,218,428	892,445
Columbiana	4,664,517	14,941,883	13,115,267	1,826,616
Coshocton	1,421,422	2,696,978	1,940,127	756,851
Crawford	2,104,484	3,755,046	3,085,265	669,781
Cuyahoga	87,354,500	128,400,721	71,298,458	57,102,263
Darke	2,037,073	6,822,634	5,647,024	1,175,610
Defiance	1,957,022	4,098,285	3,268,419	829,866
Delaware	2,578,993	4,467,242	3,272,738	1,194,504
Erie	4,168,415	6,680,816	4,305,008	2,375,808
Fairfield	4,060,453	11,570,310	9,522,784	2,047,526
Fayette	968,505	2,393,438	1,794,384	599,054
Franklin	43,077,662	78,193,495	56,723,521	21,469,974
Fulton	1,783,229	4,293,825	3,269,058	1,024,767
Gallia	1,042,762	3,663,541	3,181,481	482,060
Geauga	5,108,481	8,174,434	5,954,190	2,220,244
Greene	6,183,369	17,320,790	14,416,325	2,904,465
Guernsey	1,351,378	4,311,781	3,430,963	880,818
Hamilton	47,482,015	71,224,241	47,861,968	23,362,273
Hancock	3,334,732	5,574,309	4,065,411	1,508,898
Hardin	1,137,032	3,373,427	2,617,370	756,057
Harrison	748,893	1,660,402	1,332,510	327,892
Henry	1,338,211	2,999,513	1,555,800	1,443,713
Highland	929,533	3,856,681	3,152,564	704,117
Hocking	697,281	2,623,674	2,296,569	327,105
Holmes	750,473	2,195,135	1,728,529	466,606
Huron	2,349,901	5,394,800	4,172,741	1,222,059
Jackson	814,197	4,028,337	3,568,239	460,098
Jefferson	4,706,649	5,605,946	3,843,830	1,762,116
Knox	1,499,366	4,507,439	3,464,551	1,042,888
Lake	12,546,324	19,606,763	13,049,505	6,557,258
Lawrence	2,107,643	9,407,941	8,529,156	878,785
Licking	5,216,444	15,200,273	12,814,178	2,386,095
Logan	$ 1,375,603	$ 4,166,344	$ 3,219,518	$ 946,826
Lorain	13,760,773	30,152,360	23,228,352	6,924,008
Lucas	24,836,698	31,262,589	25,224,260	6,038,329
Madison	1,239,728	2,962,021	2,057,928	904,093
Mahoning	13,082,451	28,375,314	21,527,126	6,848,188
Marion	2,913,414	6,117,847	4,574,272	1,543,575
Medina	6,537,276	14,180,008	11,223,574	2,956,434
Meigs	671,476	3,220,543	2,929,137	291,406
Mercer	1,598,902	4,636,934	3,667,065	969,869
Miami	4,388,554	9,669,248	7,450,514	2,218,734
Monroe	636,717	990,071	700,340	289,731
Montgomery	30,060,515	62,261,515	47,152,356	15,109,159
Morgan	382,873	1,512,792	1,319,005	193,787
Morrow	840,003	3,602,651	3,121,792	480,859
Muskingum	3,084,048	10,228,611	8,686,614	1,541,997
Noble	372,340	1,353,338	1,189,108	164,230
Ottawa	1,919,630	3,459,695	2,494,831	964,864
Paulding	904,780	2,564,477	2,066,053	498,424
Perry	898,987	5,128,157	4,588,970	539,187
Pickaway	1,646,827	4,310,406	3,460,998	849,408
Pike	538,234	4,142,304	3,738,677	403,627
Portage	6,138,604	16,758,757	13,666,829	3,091,928
Preble	1,473,560	4,392,215	3,531,261	860,954
Putnam	1,384,556	3,931,006	3,146,218	784,788
Richland	5,787,856	13,104,458	10,098,027	3,006,431
Ross	2,434,692	6,704,995	5,519,900	1,185,095
Sandusky	2,817,564	4,320,720	3,523,719	797,001
Scioto	2,432,058	12,592,991	11,225,805	1,367,186
Seneca	2,421,525	4,746,076	3,521,808	1,224,268
Shelby	1,718,978	3,799,433	2,922,978	876,455
Stark	18,887,161	36,079,222	27,083,957	8,995,265
Summit	27,356,180	56,125,521	40,370,021	15,755,500
Trumbull	12,962,902	25,189,294	19,585,328	5,603,966
Tuscarawas	3,420,049	8,275,976	6,455,100	1,820,876
Union	1,223,402	2,170,286	1,596,999	573,287
Van Wert	1,349,271	1,974,178	1,191,109	783,069
Vinton	265,430	1,201,834	1,013,316	188,518
Warren	4,676,103	11,818,403	9,750,580	2,067,823
Washington	2,457,864	5,380,862	4,067,710	1,313,152
Wayne	4,269,532	9,126,347	6,958,113	2,168,234
Williams	1,671,579	3,467,683	2,645,920	821,763
Wood	5,552,445	6,980,904	4,637,754	2,343,150
Wyandot	896,881	1,776,418	1,269,165	507,253
Total	$526,647,536	$1,054,502,841	$784,641,208	$269,861,633

* Ohio's Constitution requires 50% of all personal income tax collections to be returned to counties of origin. This requirement is met by funding school foundation payments and property tax relief reimbursement payments from income tax revenue in the general revenue fund.

SOURCE: Records of the Ohio Auditor of State.

Table 36

PERSONAL INCOME TAX RETURNS FILED BY EMPLOYERS AND INDIVIDUALS DURING FISCAL YEARS 1980 AND 1981

	1980				1981			
	Number of Returns		Amount of Tax Payment		Number of Returns		Amount of Tax Payment	
Type of Return	Number	Percent	Amount	Percent	Number	Percent	Amount	Percent
Employer (Withholding):								
Monthly & Quarterly	836,413	15.41%	$ 908,928,523	80.07%	878,153	15.10%	$ 991,857,671	79.86%
Annual	183,490	3.37	14,158,092	1.25	188,589	3.24	15,267,393	1.23
Subtotal	1,019,903	18.78%	$ 923,086,615	81.32%	1,066,742	18.34%	$1,007,125,064	81.09%
Individual Taxpayer:								
Quarterly	383,323	7.06%	$ 68,004,025	5.99%	379,520	6.53%	$ 71,407,654	5.75%
Annual	4,026,141	74.16	144,090,683	12.69	4,369,436	75.13	163,409,202	13.16
Subtotal	4,409,464	81.22%	$ 212,094,708	18.68%	4,748,956	81.66%	$ 234,816,856	18.91%
Total	5,429,367	100.00%	$1,135,181,323	100.00%	5,815,698	100.00%	$1,241,941,920	100.00%
Other Collections:								
Attorney General			$ 874,171				$ 1,291,177	
Assessment Payments			1,494,147				2,496,340	
Adjustment for Bad Checks			- 98,908				- 174,042	
Total			$ 2,269,410				$ 3,613,475	
Tax Refunded			- 97,723,085				- 111,174,270	
Total Net Tax Collected			$1,039,727,648				$1,134,381,125	

Table 37

PERSONAL INCOME TAX COLLECTIONS, BY MONTH, FISCAL YEAR 1981

Month	Employer Withholding(a)	Individual Taxpayer(b)	Other Collections(c)	Refunds	Total
July	$ 35,334,281	$ 2,677,811	$ 241,893	$ 6,107,102	$ 32,146,883
August	97,517,887	2,690,137	333,264	816,485	99,724,803
September	71,068,694	15,327,608	193,513	897,203	85,692,612
October	76,377,620	3,245,236	412,939	575,301	79,460,494
November	90,272,982	755,577	402,896	532,186	90,899,269
December	69,908,954	2,118,458	537,748	294,792	72,270,368
January	86,331,571	21,198,893	400,682	292,378	107,638,768
February	107,729,018	5,829,223	275,897	8,040,098	105,794,040
March	80,951,588	18,545,131	369,440	20,640,866	79,225,293
April	80,220,095	51,280,477	246,702	38,300,476	93,446,798
May	91,643,406	85,897,797	117,863	18,185,462	159,473,604
June	119,768,968	25,250,508	80,638	16,491,921	128,608,193
Total	$1,007,125,064	$234,816,856	$3,613,475	$111,174,270	$1,134,381,125

(a) Monthly, Quarterly, and Annual returns.

(b) Quarterly, Estimated, and Annual returns.

(c) Attorney General collections, assessments, and bad checks.

SCHOOL DISTRICT INCOME TAX

Although no school district has ever attempted to do so, school districts in Ohio may impose a temporary income tax on incomes of residents, estates, and corporations. The purpose of the income tax is to repay a state loan requested by the school district as a means of avoiding closing. If the request for the loan is approved and the authority to levy the income tax is granted by electors, a tax of 0.25%, 0.5%, 0.75%, or 1% may be imposed for a maximum of four years. However, the tax can only be imposed in an amount sufficient to pay off the loan at the end of one taxable year.

A school district is not eligible to seek authorization from the State Superintendent of Public Instruction to levy an income tax unless it meets all of the following conditions:

1) A property tax levy for current expenses had been defeated at least twice during the preceding two years;
2) The school district is eligible to apply for a loan from the Emergency School Advancement Fund;
3) The school district applies for a loan for the purpose of enabling it to avoid a financial closing;
4) The school district requests permission to propose an income tax to raise the revenue to repay the loan;
5) The school district receives a certificate of deficit from the Auditor of State.

If these conditions are met, the State Tax Commissioner determines the rate of the school district income tax in the current year that would be necessary to meet the cost of the loan charges. If the State Controlling Board approves the loan, it rounds the rate computed by the Tax Commissioner to the nearest statutory rate (0.25%, 0.5%, 0.75%, or 1%) and certifies that percentage to the local Board of Education. The tax is then submitted to the voters of the school district for approval or disapproval.

TAX BASE (R.C. 3317.13):

Income earned by residents or businesses in a school district which imposes this tax. For individuals, the tax base is Ohio taxable income as defined for state tax purposes (see **PERSONAL INCOME TAX**). For corporations, the tax base is net income (profits) as reported on the Ohio corporation franchise tax return (see **CORPORATION FRANCHISE TAX**).

RATES (R.C. 3317.64):

Only rates of 0.25%, 0.5%, 0.75%, or 1% may be imposed against taxable income of individuals and net income of corporations and only if approved by the voters of the school district.

SPECIAL PROVISIONS:

1. Resolutions proposing the tax must be adopted by July 1 for the tax to take effect in the current year; resolutions adopted after that date result in a tax against the subsequent year's income (R.C. 3317.60).
2. The school district income tax is effective for one year. However, it may be imposed for three succeeding years, subject only to the approval of the local school board, if additional state loans are granted to the school district (R.C. 3317.65).
3. For corporations with property in more than one Ohio school district, the income is allocated to the school district based on the proportion of the corporation's property in that school district to the statewide value of the corporation's property (R.C. 3317.67).
4. For corporations, income from federal obligations is excluded from net income. Also, combined returns are not allowed -- each corporation must file separately (R.C. 3317.60).
5. There is no withholding of tax by employers (R.C. 3317.66).

TAXPAYER (R.C. 3317.60):

Every individual, estate, and corporation residing in the school district and earning income.

PAYMENT DATES (R.C. 3317.66):

Individual Taxpayers:

An annual return for the school district income tax is due between January 1, and April 15. Since no withholding is required, the full amount of tax liability is due with the state tax return which is filed with the Ohio Department of Taxation.

Corporate Taxpayers:

The payment dates are the same as the state corporate franchise tax. They are the following:

January 31 -- By this date, the corporation must file either a final return and make full payment of the tax due, or an estimated return of its full tax liability and pay one-third of that estimated liability.

March 31 -- By this date, the corporation must file either a final return and pay the difference between its full liability and first estimated payment, or (if a time extension has been granted by the Tax Commissioner) it must file another estimated return and pay another one-third of its estimated tax liability.

May 31 -- By this date, the corporation which received an extension of time for filing past March 31 must either file a return and pay the difference between its full liability and its estimated payments made earlier, or pay the remaining one-third of its estimated tax liability (if it is granted an extension for filing past May 31). A corporation receiving this extension must file its annual report and pay any remaining tax liability by the 15th day of the month following the final due date for filing its federal corporation income tax return.

ADMINISTRATION (R.C. 3317.66):

The Tax Commissioner administers the tax for school districts.

DISPOSITION OF REVENUE (R.C. 3317.66):

All payments arising from the tax are deposited in the Emergency School Advancement Fund to be credited against the amount of the state loan received by the school district, except for 3% which is deposited in the state Special Revenue Fund to reimburse the Department of Taxation for administrative costs.

OHIO REVISED CODE CITATIONS:

Chapter 3317.

CORPORATION FRANCHISE TAX

The Ohio corporation franchise tax has two alternative tax bases: a net worth base and a net income base. Corporations are required to compute their tax liability under each base and pay the higher of the two, with a minimum tax liability of $50. A 15% surtax was imposed on the regular corporate franchise tax rates for certain corporations in tax year 1981 and the remaining corporations in tax year 1982. See the **"Recent Legislation"** section for a complete explanation. Net collections from the tax were $555.3 million in fiscal year 1981.

Data on the distribution of the corporation franchise tax between the alternative tax bases and among various industrial classes is shown in Table 39. Table 40 shows the distribution of tax returns by size of tax liability and the alternative tax bases. The data for these tables was taken from the franchise tax returns filed for tax year 1980. Nearly all such returns were filed in the period between January and May of 1980. Therefore, taxes from these returns were primarily collected during fiscal year 1980. The total reported liability after credits for tax year 1980 was $552.7 million. The reported liability before credits was $570.4 million but property tax credits reduced the net liability to $552.7 million. This was the first year that corporations could claim a credit against their franchise tax liability for a portion of the tangible property taxes paid on manufacturing machinery and equipment acquired after 1977. About 86.9% of the total tax liability before credits was based on net income compared to 12.6% based on net worth. The remainder of the tax was either collected from the minimum tax or the proper tax base was not reported. While about 87% of the tax liability was based on net income, only about 39% of the corporations paid the tax on net income. About 27% of the corporations paid the tax based on net worth and another 33% paid the minimum tax.

Table 39 shows that the manufacturing class accounts for about 60% of the total tax liability after credits. The next largest classes are the wholesale trade and retail trade categories which account for about 8% and 10%, rspectively, of the total tax liability. No other industry comprises over 5% of the total.

Table 40 shows that relatively few corporations are responsible for a high proportion of corporate franchise tax collections. About 2,900 corporations (only 2.6% of the number filing returns) reported about 67% of the total tax liability. However, there are also a great number of very small corporations which pay the minimum tax of $50. About 37,600 corporations paid the minimum tax in 1980, which means that their Ohio net worth must have been less than $10,000, and their Ohio net income must have been less than $1,250.

The final two tables in this section show detailed tax data for the twenty individual industries within the broad manufacturing class. The five largest manufacturing industries ranked in order of total tax liability are: (1) transportation equipment; (2) fabricated metal; (3) electrical machinery; (4) non-electrical machinery; and (5) chemicals. These five industries are responsible for about 62% of the total manufacturing tax liability.

TAX BASE (R.C. 5733.05, 5733.051):

The total value of the corporation's issued and outstanding shares of stock (corporations doing business only in Ohio), or the portion of the value of its issued and outstanding shares of stock attributable to Ohio (corporations doing business both inside and outside of Ohio) forms the base of the corporation franchise tax. Two alternative methods are provided for the measurement of this value:

1. Net Worth Base

This is determined by computing the total book value of the corporation's capital, surplus, undivided profits, and reserves (unless excluded by statute -- see **"Exemptions and Exclusions"** section). For calendar year corporations, net worth is determined as of the end of the preceding calendar year; for fiscal year corporations, net worth is determined as of the end of the fiscal year ending in the preceding calendar year. The Ohio net worth of interstate corporations is apportioned to Ohio -- 50% on the basis of property owned and used in Ohio and 50% on the basis of business done in Ohio.

TAX BASE (cont'd):

(For sales of tangible personal property, business done is determined by the final destination of the property sold; other sales are allocated according to where the income-producing activity takes place.) For interstate corporations, the formula for determining Ohio net worth is as follows:

$$\text{Taxable Value} = \frac{\text{Book Value of Ohio Property}^{1}}{\text{Book Value of Total Property}} \times \frac{\text{Share Value}}{2} + \frac{\text{Ohio Business}^{2}}{\text{Total Business}} \times \frac{\text{Share Value}}{2}$$

[1] Excludes value of pollution control, coal conversion, solid waste energy conversion, thermal efficiency improvement, and energy conversion facilities.

[2] Excludes sales subject to capital gains treatment.

2. Net Income Base

This is determined by the corporation's Ohio net income (equal to the Ohio portion of federal taxable income unless excluded by statute -- see **"Exemptions and Exclusions"** section). For calendar year corporations, net income is computed for the preceding calendar year; for fiscal year corporations, net income is computed for the fiscal year ending in the preceding calendar year. For corporations operating only in Ohio, the total net income of the corporation is attributable to Ohio. For interstate corporations, income is allocated or apportioned to Ohio as follows:

a) Allocated Income

The following types of income are allocated within or without Ohio on the basis of location, commercial situs, situs at time of sale, or location of business activity:

1) net rents and royalties from real and personal property;
2) capital gains and losses from the sale or other disposition of real, tangible, and intangible property;
3) dividends;
4) net patent and copyright royalties (not representing principal source of gross receipts);
5) technical assistance fees.

b) Apportioned Income

Income from all non-allocated sources is apportioned to Ohio according to a three-factor formula with equally-weighted property, payroll, and sales factors as follows (unless Tax Commissioner approves or requires alternative method of apportionment):

$$\begin{array}{c}\text{Ohio Apportioned}\\ \text{Net Income}\end{array} = \begin{array}{c}\text{Total Net Corporation}\\ \text{Apportionable Income}\end{array} \times \frac{\text{Property + Payroll + Sales Factors}}{3}$$

These factors are computed as follows:

$$\text{Property Factor}^{1} = \frac{\text{Average cost of owned or rented real and tangible personal property used in business in Ohio}}{\text{Average cost of such property used everywhere}}$$

$$\text{Payroll Factor} = \frac{\text{Total compensation paid in Ohio}}{\text{Total compensation paid everywhere}}$$

$$\text{Sales Factor}^{2} = \frac{\text{Sales in Ohio}}{\text{Sales everywhere}}$$

[1] Excludes cost of pollution control, coal conversion, solid waste energy conversion, thermal efficiency improvement, and energy conversion facilities.

[2] For sales of tangible personal property, sales inside and outside of Ohio are determined by the final destination of the property sold; other sales are sitused according to where the income-producing activity takes place. Sales included under allocated income are not included in this factor.

TAX BASE (cont'd):

c) Allocated and Apportioned Income

The sum of allocated and apportioned incomes equals Ohio taxable net income to which the tax rate is applied.

RATES (R.C. 5733.06) (SEE: "Recent Legislation" for changes effective in fiscal year 1981):

The tax rates for the two alternative tax bases are:

Net Worth -- 5 mills on the taxable value of the corporation; or

Net Income -- 4% on the first $25,000 of taxable income plus 8% on taxable income in excess of $25,000.

Corporations pay the greater of the two tax liabilities computed under the alternative tax bases, (after deducting credits) with a minimum tax liability of $50 for all corporations.

CREDITS (R.C. 5733.061, 5733.062) (SEE: "Recent Legislation" for changes effective in fiscal year 1981):

Two credits are allowed:

(1) A credit equal to the difference between (1) the tangible property taxes actually paid in the taxable year on machinery and equipment used in manufacturing or refining and acquired in 1978 and thereafter; and (2) the taxes that would have been paid on such property if it had been assessed at 20% of true value instead of the actual percentage. If this credit exceeds the franchise tax liability in any year, the excess credit may be carried forward to offset liability for the following 3 years.

(2) A credit equal to 10% of the cost of acquiring and installing solar, wind, or hydrothermal energy systems on or before December 31, 1985, in buildings owned and operated by the corporation in Ohio. This credit may not exceed the tax liability and can only be taken in the taxable year the system is installed -- no carryover of excess credit is allowed.

EXEMPTIONS AND EXCLUSIONS:

Corporations not subject to tax (R.C. 1733.43, 5733.01, 5733.09, and 5733.10):

1. nonprofit corporations (except certain agricultural and consumer cooperatives);
2. municipal corporations;
3. public utilities subject to public utility excise tax;
4. credit unions;
5. financial institutions and dealers in intangibles subject to intangibles taxes imposed by R.C. 5707.03;
6. corporations required to file annual reports with the superintendent of insurance (e.g., insurance companies, building and loan associations, and bond investment companies).

Assets excluded when computing the corporation's net worth (R.C. 5709.25, 5709.35, 5709.50, 5733.05 5915.29):

1. certain valuation reserves;
2. taxes due and payable;
3. good will, appreciation, and abandoned property;

EXEMPTIONS AND EXCLUSIONS (cont'd):

4. specified investments in public utilities, insurance companies, and financial institutions in which the taxpayer has the ownership interests as required by statute (investments and business attributed to these companies are also eliminated in determining the property and business fractions for apportioning net worth);
5. certified pollution control facilities;
6. certain facilities designed to convert coal into other fuels or to desulphurize coal (assests excluded for 30 years);
7. certified civil defense structures;
8. 80% of the taxable value of corporations defined as "regulated investment companies" under the Internal Revenue Code.
9. certified energy conversion, thermal efficiency improvement, and solid waste energy conversion facilities.

Exempt income and deductions from the net income base (R.C. 5733.04, 5709.35):

1. certain income from sources outside the United States;
2. specified dividends from other corporations;
3. income on which intangible property tax has been paid;
4. dividends received from public utilities, insurance companies, and financial institutions in which the taxpayer has the ownership interests required by statute (receipts from these companies are eliminated in determining the sales factor for apportioning net income);
5. capital gains from the sale of business assets where gain occurred prior to addition of income base (losses from such sales may not be deducted from income);
6. income arising from facilities designed to convert coal into other fuels or to desulphurize coal (exempt for 30 years);
7. amount of federal "targeted jobs credit".

TAXPAYER (R.C. 5733.01):

Corporate franchise tax is imposed on all domestic corporations organized for profit under Ohio law, except corporations which are exempted by statute. The tax must also be paid by nonprofit agricultural and consumer cooperatives which are organized under Chapter 1729 of the Ohio Revised Code. All foreign corporations organized for profit which are doing business in Ohio, or authorized to do business in Ohio, must also pay the corporate franchise tax. Small business corporations that elect under federal law not to be subject to the federal corporate income tax are still subject to the Ohio corporate franchise tax. The tax is imposed for the privilege of doing business in Ohio during the year in which the tax is payable.

PAYMENT DATES (R.C. 5733.02, 5733.021, 5733.13):

January 31 -- By this date, the corporation must file either a final return and make full payment of the tax due, or an estimated return of its full tax liability and pay one-third of that estimated liability. If the estimated full tax liability is less than the minimum tax of $50, the corporation must make full payment of $50.

March 31 -- By this date, the corporation must file either a final return and pay the difference between its full liability and first estimated payment, or (if a time extension has been granted by the Tax Commissioner) it must file another estimated return and pay another one-third of its estimated tax liability

May 31 -- By this date, the corporation which received an extension of time for filing past March 31 must either file a return and pay the difference between its full liability and its estimated payments made earlier, or pay the remaining one-third of its estimated tax liability (if it is granted an extension for filing past May 31). A corporation receiving this extension must file its annual report and pay any remaining tax liability by the 15th day of the month following the final due date for filing its federal corporation income tax return.

A 6% annual interest rate is charged on any under payment of estimated tax payments.

DISPOSITION OF REVENUE (R.C. 5733.12) (SEE: "Recent Legislation" for changes effective in fiscal year 1981):

All to the state General Revenue Fund with 3.5% of the amount subsequently transferred to the Local Government Fund.

OHIO REVISED CODE CITATIONS:

Chapter 5733.

ADMINISTRATIVE FEATURES (R.C. 5733.02, 5733.11, 5733.052):

Shared Administration:

Although tax payments and annual reports of corporations are filed with the Treasurer of State, the Tax Commissioner is principal administrator of the tax, with the Treasurer acting as collector of the tax. All corporate franchise reports received by the Treasurer are transmitted to the Commissioner showing the amount of tax remitted with the report and the date it was received. If a corporation required to file a return fails to file the return within the prescribed time, files an incorrect report, or fails to remit the full amount of the tax due, the Commissioner may make an assessment against the corporation for the tax due.

Combined Report (See: "Recent Legislation" -- Am. H.B. 638):

When more than half of the capital stock with voting rights of a corporation subject to the tax is owned or controlled by another corporation subject to the tax, the Tax Commissioner is authorized to permit or require the combining of net income for purposes of calculating the tax base. Two or more corporations meeting the above requirements may elect to file a combined report if the combination sets forth the information required by the Commissioner. Once made, this election may not be changed by the taxpayer without the Commissioner's consent. (See Tax Commissioner Rule 5703-5-06).

RECENT LEGISLATION:

Am. Sub. H.B. 361, effective July 14, 1980 (all sections related to taxation enacted in temporary law).

SECTION 3: Increases general corporate franchise tax rates for tax years 1981 through 1986. Net income rates are increased from 4% to 4.11% and from 8% to 8.22%, while the net worth rate is increased from 5 mills to 5.14 mills. The maximum additional tax liability is limited to $5,000. The additional taxes are to provide funding for a new litter control program.

SECTION 4: Credits $4 million of franchise tax collections to litter control and recycling account during the period from July 1, 1980 to December 31, 1981. Credits $5 million to litter control and recycling account in each of nine consecutive six-month periods starting in 1982.

SECTION 5: Allows credit against corporate franchise tax liability equal to 50% of cash donations made to specified local governments for litter control. This credit is effective for tax years 1981 through 1986 and is limited to one-half of the taxpayer's liability resulting from the additional rates in H.B. 361.

SECTION 8: Levies an additional tax on corporations manufacturing or selling litter stream products (alcoholic beverages, soft drinks, containers and container closures for alcoholic beverages and soft drinks, packaging material for take-out food and beverages, cigarettes, cigars, matches, candy, and gum). This additional tax is levied at a rate of 0.22% on net income in excess of $25,000 and 0.14 of a mill on net worth and is effective for tax years 1981 through 1986. The maximum tax produced by these additional rates is limited to $5,000. Manufacturers are subject to this additional tax only if either the sale of litter stream products exceeds 5% of total sales or total sales of litter stream products in Ohio exceed $10 million. Corporations

RECENT LEGISLATION (cont'd):

selling litter stream products are not subject to the tax unless litter stream products account for at least 5% of total sales. Restaurants are not subject to the tax unless at least 5% of their sales are take-out sales.

SECTION 9: Credits $309,700 of franchise tax collections to litter control and recycling tax administration account during FY 1981.

Am. Sub. S.B. 448, effective December 19, 1980 (all sections related to franchise tax enacted in temporary law).

SECTION 6: Credits all of the revenue received as a result of the 15% surtax to the general revenue fund.

SECTION 13: Imposes a 15% surtax for tax year 1981 on those corporations with taxable years ending on or after the effective date of the bill. Corporations with taxable years ending prior to the effective date of the bill are subject to the 15% surtax for tax year 1982.

Am. H.B. 638, effective July 2, 1981.

R.C. 5733.052: Two or more corporations may elect to file a combined report only if each of them has income (excluding dividends) from sources within Ohio. Clarifies application of net worth base to corporations filing combined reports.

RECENT SIGNIFICANT COURT DECISIONS:

S. M. Flickinger Co. v. Lindley, Franklin County Court of Appeals, Case No. 80 AP-207, September 30, 1980.

If a taxpayer has various divisions that operate independently, and the profitability of each division is unaffected by the others except to the extent of receiving benefits from certain centralized services which enhance each division's individual earnings, separate accounting is appropriate for determining the franchise tax measured by net income under R.C. 5733.05(B)(2)(d)(i).

GTE Sylvania Inc. v. Lindley, Board of Tax Appeals, Case No. E-1712, March 26, 1981.

Since non-business interest income is not specifically allocated pursuant to R.C. 5733.051(A)(1) to (7), such income must, pursuant to R.C. 5733.051(A)(8), be apportioned in accordance with R.C. 5733.05(B)(2). No request for deviation from the standard allocation and apportionment provisions can be considered under R.C. 5733.05(B)(2)(d) unless such request is made in writing and accompanies the taxpayer's franchise tax report.

Table 38

CORPORATE FRANCHISE TAX COLLECTIONS, FISCAL YEARS 1977-1981

Fiscal Year	Gross Tax Collections	Refunds	Net Tax Collections
1977	$464,009,331	$20,731,498	$443,277,833
1978	544,011,346	13,287,417	530,723,929
1979	590,782,292	14,814,637	575,967,655
1980	603,092,645	20,745,940	582,346,705
1981	583,874,100	28,537,144	555,336,956

SOURCE: Ohio Department of Administrative Services.

Table 39

NUMBER OF CORPORATIONS AND REPORTED TAX LIABILITY,
BY TAX BASE, AND BY INDUSTRY, TAX YEAR 1980

	Number of Corporations by Tax Base[a]					Tax Liability Before Credits By Tax Base						
Industry	Minimum	Net Worth	Net Income	Not Reported[b]	Net Total	Minimum	Net Worth	Net Income	Not Reported[b]	Total	Property Tax Credits	Tax Liability After Credits
Agriculture & Forestry	132	167	140	3	442	$ 6,600	$ 179,413	$ 611,135	$ 8,813	$ 805,961	$ 9,815	$ 796,146
Mining	447	435	410	12	1,304	22,350	2,904,377	10,259,720	64,942	13,251,389	173,502	13,077,887
Construction	3,188	2,479	4,141	16	9,824	159,400	2,180,796	16,620,457	49,885	19,010,538	88,883	18,921,655
Manufacturing	2,532	4,151	7,717	46	14,446	126,600	39,896,482	308,644,051	190,809	348,857,942	16,475,863	332,382,079
Transportation	979	993	1,297	8	3,277	48,950	1,828,280	12,189,898	7,548	14,074,676	6,672	14,068,004
Wholesale Trade	1,900	2,304	4,222	11	8,437	95,000	3,666,813	40,446,463	75,816	44,284,092	276,064	44,008,028
Retail Trade	4,920	5,867	7,126	40	17,953	246,000	6,963,015	48,877,949	46,449	56,133,413	210,961	55,922,452
Finance	4,504	5,391	4,478	53	14,426	225,200	6,473,856	14,275,927	272,564	21,247,547	105,751	21,141,796
Service	7,390	4,782	8,804	20	20,996	369,500	2,777,600	23,670,566	156,135	26,973,801	87,103	26,886,698
Not Reported[c]	11,633	4,708	6,707	51	23,099	581,650	4,880,044	19,984,278	355,017	25,800,989	329,918	25,471,071
Total	37,625	31,277	45,042	260	114,204	$1,881,250	$71,750,676	$495,580,444	$1,227,978	$570,440,348	$17,764,532	$552,675,816

(a) Corporations meeting certain ownership requirements may file combined returns. For tax year 1980, 109,658 returns were filed representing 114,204 corporations.

(b) Data as initially supplied by taxpayers was insufficient to determine the proper tax base for these corporations.

(c) Industry classification was not indicated by taxpayer.

Table 40

NUMBER OF CORPORATIONS AND REPORTED TAX LIABILITY, BY TAX BASE, AND TAX LIABILITY CLASS, TAX YEAR 1980

Tax Liability Class(b)	Number of Corporations By Tax Base(a)				Tax Liability Before Credits By Tax Base					
	Net Worth	Net Income	Not Reported(c)	Total	Net Worth	Net Income	Not Reported(c)	Total	Property Tax Credits	Tax Liability After Credits
Minimum	-	-	-	37,625	-	-	-	$ 1,881,250	$ 28,033	$ 1,853,217
$ 50 - $ 1,000	23,112	22,183	101	45,396	$10,094,788	$9,235,557	$25,422	19,355,767	3,795,759	15,560,008
1,000 - 2,000	3,400	4,855	12	8,267	4,469,741	7,115,773	13,913	11,599,427	155,551	11,443,876
2,000 - 3,000	1,127	3,582	18	4,727	2,535,511	8,844,067	24,076	11,403,654	166,778	11,236,876
3,000 - 4,000	601	2,334	1	2,936	1,786,824	7,922,711	3,209	9,712,744	128,067	9,584,677
4,000 - 5,000	394	1,699	7	2,100	1,345,671	7,423,248	22,635	8,791,554	81,685	8,709,869
5,000 - 10,000	919	3,854	34	4,807	4,222,339	25,687,594	154,879	30,064,812	399,637	29,665,175
10,000 - 15,000	358	1,549	24	1,931	2,696,471	17,564,334	73,966	20,334,771	292,162	20,042,609
15,000 - 20,000	162	840	9	1,011	1,602,570	13,266,290	90,737	14,959,597	203,385	14,756,212
20,000 - 25,000	139	630	8	777	1,344,964	12,633,057	89,782	14,067,803	166,142	13,901,661
25,000 - 30,000	130	407	1	538	1,655,585	9,465,722	27,444	11,148,751	458,716	10,690,035
30,000 - 35,000	59	309	12	380	982,694	8,778,002	131,703	9,892,399	155,311	9,737,088
35,000 - 50,000	184	599	2	785	3,655,323	20,812,411	86,077	24,553,811	573,398	23,980,413
50,000 - 100,000	205	890	31	1,126	5,454,102	43,390,597	484,135	49,328,834	1,177,691	48,151,143
100,000 - 200,000	265	426	-	691	7,391,797	40,530,806	-	47,922,603	1,236,071	46,686,532
200,000 - 500,000	200	455	-	655	10,287,215	63,203,518	-	73,490,733	2,494,430	70,996,303
$500,000 & Over	22	430	-	452	12,225,081	199,706,757	-	211,931,838	6,251,716	205,680,122
Total	31,277	45,042	260	114,204	$71,750,676	$495,580,444	$1,227,978	$570,440,348	$17,764,532	$552,675,816

(a) Corporations meeting certain ownership requirements may file combined returns. For tax year 1980, 109,658 returns were filed representing 114,204 corporations.

(b) Tax liability classes are based on tax liability after credits per return.

(c) Data as initially supplied by taxpayers was insuffcent to determine proper tax base for these corporations.

Table 41

NUMBER OF MANUFACTURING CORPORATIONS AND REPORTED TAX LIABILITY, BY TAX BASE AND INDUSTRY CLASSIFICATION, TAX YEAR 1980

Industry	Number of Corporations By Tax Base[a]					Tax Liability Before Credits By Tax Base					Property Tax Credits	Tax Liability After Credits
	Minimum	Net Worth	Net Income	Not Reported[b]	Total	Minimum	Net Worth	Net Income	Not Reported[b]	Total		
Food	180	364	548	12	1,104	$ 9,000	$ 1,504,107	$ 18,366,664	$ 18,675	$ 19,898,446	$ 360,486	$ 19,537,960
Tobacco Manufactures	2	6	12	-	20	100	9,634	1,844,120	-	1,853,854	-	1,853,854
Textile Mill Products	11	24	35	-	70	550	220,350	459,199	-	680,099	4,731	675,368
Apparel and Other Textiles	51	69	113	-	233	2,550	103,734	1,818,392	-	1,924,676	25,360	1,899,316
Lumber and Wood Products	85	155	243	1	484	4,250	1,139,657	2,696,727	162	3,840,796	262,812	3,577,984
Furniture and Fixtures	52	64	110	-	226	2,600	105,555	2,697,792	-	2,805,947	24,208	2,781,739
Paper	42	102	144	-	288	2,100	1,871,169	4,163,207	-	6,036,476	778,575	5,257,901
Printing and Publishing	275	352	668	5	1,300	13,750	466,149	16,410,269	11,463	16,901,631	412,930	16,488,701
Chemicals	158	315	461	4	938	7,900	3,248,542	32,179,554	35,419	35,471,415	1,073,144	34,398,271
Petroleum and Coal	29	53	82	-	164	1,450	8,485,112	8,033,256	-	16,519,818	461,709	16,058,109
Rubber and Plastics	167	198	430	-	795	8,350	1,492,364	10,081,722	-	11,582,436	892,326	10,690,110
Leather Products	12	25	40	-	77	600	84,193	1,018,280	-	1,103,073	5,140	1,097,933
Stone, Clay & Glass Products	102	211	319	2	634	5,100	1,241,105	9,946,193	562	11,192,960	436,009	10,756,951
Primary Metal	43	140	324	1	508	2,150	6,714,918	20,755,573	75,738	27,548,379	2,301,150	25,247,229
Fabricated Metal	547	885	2,077	7	3,516	27,350	2,565,267	39,664,953	6,359	42,263,928	1,169,312	41,094,616
Machinery (non-electrical)	241	452	935	6	1,634	12,050	2,271,627	38,373,554	25,070	40,682,301	1,280,218	39,402,083
Electrical Machinery	219	305	503	4	1,031	10,950	2,713,891	38,897,430	14,716	41,636,987	1,357,842	40,279,145
Transportation Equipment	90	156	186	-	432	4,500	5,060,917	50,481,376	-	55,546,793	5,403,358	50,143,435
Instruments and Related Products	56	77	132	-	265	2,800	224,396	3,425,559	-	3,652,755	38,075	3,614,680
Miscellaneous Manufacturing	170	198	355	4	727	8,500	373,795	7,330,231	2,646	7,715,172	188,478	7,526,694
Total	2,532	4,151	7,717	46	14,446	$126,600	$39,896,482	$308,644,051	$190,809	$348,857,942	$16,475,863	$332,382,079

(a) Corporations meeting certain ownership requirements may file combined returns. For tax year 1980, 13,045 returns were filed representing 14,446 corporations.

(b) Data as initially supplied by taxpayers was insufficient to determine proper tax base for these corporations.

Table 42

NUMBER OF MANUFACTURING CORPORATIONS AND REPORTED TAX LIABILITY, BY TAX BASE AND TAX LIABILITY CLASS, TAX YEAR 1980

	Number Of Corporations By Tax Base[a]				Tax Liability Before Credits By Tax Base					
Tax Liability Class[b]	Net Worth	Net Income	Not Reported[c]	Total	Net Worth	Net Income	Not Reported[c]	Total	Property Tax Credits	Tax Liability After Credits
Minimum	-	-	-	2,532	-	-	-	$ 126,600	$ 17,747	$ 108,853
$ 50 - $ 1,000	2,322	1,742	19	4,083	$3,877,058	$ 920,008	$ 3,906	4,800,972	3,662,746	1,138,226
1,000 - 2,000	499	668	1	1,168	715,332	1,039,545	1,416	1,756,293	104,722	1,651,571
2,000 - 3,000	218	592	7	817	535,127	1,513,573	7,317	2,056,017	143,674	1,912,343
3,000 - 4,000	134	466	-	600	472,760	1,659,374	-	2,132,134	115,184	2,016,950
4,000 - 5,000	96	365	2	463	365,903	1,642,085	4,306	2,012,294	56,336	1,955,958
5,000 - 10,000	222	1,022	3	1,247	1,274,416	7,079,296	17,965	8,371,677	337,791	8,033,886
10,000 - 15,000	106	472	8	586	877,045	5,578,493	25,871	6,481,409	217,315	6,264,094
15,000 - 20,000	47	287	4	338	563,680	4,682,680	19,390	5,265,750	164,552	5,101,198
20,000 - 25,000	35	228	-	263	453,273	4,989,582	-	5,442,855	145,352	5,297,503
25,000 - 30,000	48	162	-	210	937,305	3,855,699	-	4,793,004	391,691	4,401,313
30,000 - 35,000	15	130	1	146	300,830	3,798,296	34,900	4,134,026	125,335	4,008,691
35,000 - 50,000	67	275	-	342	1,976,359	10,134,191	-	12,110,550	371,852	11,738,698
50,000 - 100,000	97	517	1	615	3,173,282	25,224,813	75,738	28,473,833	1,123,733	27,350,100
100,000 - 200,000	96	193	-	289	3,727,667	21,865,989	-	25,593,656	1,116,638	24,477,018
200,000 - $500,000	127	253	-	380	8,421,364	43,482,219	-	51,903,583	2,230,830	49,672,753
$500,000 & Over	22	345	-	367	12,225,081	171,178,208	-	183,403,289	6,150,365	177,252,924
Total	4,151	7,717	46	14,446	$39,896,482	$308,644,051	$190,809	$348,857,942	$16,475,863	$332,382,079

---

[a] Corporations meeting certain ownership requirements may file combined returns. For tax year 1980, 13,045 returns were filed representing 14,446 corporations.

[b] Tax liability classes are based on tax liability after credits per return.

[c] Data as initially supplied by taxpayers was insufficient to determine proper tax base for these corporations.

ENERGY CREDIT PROGRAM

The Ohio Energy Credit Program provides credits or direct cash payments for the winter heating bills of qualified elderly and disabled individuals. All applications for the program are filed with and processed by the Ohio Department of Taxation.

There were no changes in the eligibility requirements, level of benefits or administrative procedures for the 1980-81 Energy Credits Program heating season.

Table 43 shows the number of eligible applicants in each county by the type of heating fuel used to heat the residence for the 1980-81 heating season. The total number of applicants was 348,239. Of this number, 135,657 had incomes less than $5,000, and 137,217 had incomes between $5,000 and $9,000. These applicants heated their households with gas, electricity or pipeline propane while the remaining 75,365 receiving the $125 cash payment heated their households with fuel oil, coal, wood, kerosene, or non-pipeline propane.

According to data from the Auditor of State, about 341,343 individuals received over $37.8 million in cash payments or utility bill discounts for the 1980-81 heating season. Since Department of Taxation data show the number of applicants, and the data published by the State Auditor show the number of individuals receiving the discounts or cash payments, the figures in Table 43 differ from those reported by the State Auditor. There are several reasons for these differences, including: (1) some applicants dropped out of the program after they had been approved: (2) the account with the utility was not in the name of the applicant; and (3) further processing and auditing revealed that some applicants were not qualified.

DESCRIPTION OF PROGRAM:

The 1980-81 heating season program provided 25% and 30% discounts on heating bills or direct cash payments of $125 to qualified individuals. To qualify for the program, an individual must:(1) have been head of household where he or she resided; (2) turn 65 years of age during calendar year 1980; (3) have had total 1979 income (including income of spouse) of $5,000 or less or an income for the first half of 1980 of $2,500 or less to receive a 30% discount; or (4) have had total 1979 income of more than $5,000 but less than $9,000 or establish that income for the first half of 1980 was less than $4,500 to receive a 25% discount.

Qualified applicants who heated their households with gas, electricity or propane delivered by pipeline were granted the percentage discount on the bills received for those fuels during the months of December, 1980 through April, 1981. Qualified applicants who heated their homes with fuel oil, bottled propane, coal, wood, or kerosene, shared a meter for heating fuel, or paid for heat included with their rent payments received the $125 cash payment.

APPLICATION AND CREDIT PROCESS:

All applications for the energy credits program are filed with the Department of Taxation. The Tax Commissioner verifies the information on the application and certifies the eligibility for the applicants. The energy companies supplying electricity, gas, or propane delivered by pipeline are issued the names of those eligible for the 25% or 30% discount. The Tax Commissioner also certifies to the Auditor of State a list of those eligible for the $125 payment and the Auditor of State issues warrants to those individuals.

OHIO REVISED CODE CITATIONS:

Sections 122.64 to 122.69, 4933.123, 5117.01 to 5117.12, 5117.21 to 5117.29, and 5117.99

Table 43

ENERGY CREDIT PROGRAM
NUMBER OF APPLICATIONS, FOR HEATING BILL DISCOUNT OR CASH PAYMENT, BY COUNTY, 1980-81 HEATING SEASON(a)

	Number of Applications			
County	$125 Cash Payment(b)	30% Discount(c)	25% Discount(c)	Total
Adams	1,252	227	146	1,625
Allen	591	1,479	1,574	3,644
Ashland	385	603	583	1,571
Ashtabula	1,277	1,256	1,390	3,923
Athens	838	733	636	2,207
Auglaize	424	560	648	1,632
Belmont	1,021	1,325	1,281	3,627
Brown	1,116	262	210	1,588
Butler	1,865	2,614	2,518	6,997
Carroll	488	254	271	1,013
Champaign	489	449	391	1,329
Clark	713	2,160	2,121	4,994
Clermont	2,089	439	389	2,917
Clinton	611	489	367	1,467
Columbiana	1,424	1,811	1,704	4,939
Coshocton	519	499	540	1,558
Crawford	366	813	870	2,049
Cuyahoga	4,546	23,348	24,990	52,884
Darke	648	709	738	2,095
Defiance	504	322	354	1,180
Delaware	495	366	398	1,259
Erie	405	950	1,022	2,377
Fairfield	625	1,288	1,240	3,153
Fayette	255	587	450	1,292
Franklin	1,814	9,374	9,820	21,008
Fulton	423	347	370	1,140
Gallia	828	335	269	1,432
Geauga	997	125	145	1,267
Greene	587	827	897	2,311
Guernsey	530	878	684	2,092
Hamilton	5,801	9,029	9,428	24,258
Hancock	314	794	806	1,914
Hardin	266	608	525	1,399
Harrison	498	207	188	893
Henry	373	311	275	959
Highland	1,061	510	371	1,942
Hocking	399	360	283	1,042
Holmes	288	169	146	603
Huron	558	687	690	1,935
Jackson	814	739	547	2,100
Jefferson	1,229	1,271	1,143	3,643
Knox	439	749	785	1,973
Lake	1,156	1,398	1,915	4,469
Lawrence	1,051	1,136	978	3,165
Licking	730	1,648	1,618	3,996
Logan	621	762	709	2,092
Lorain	700	2,656	2,964	6,320
Lucas	2,193	6,775	6,856	15,824
Madison	288	434	352	1,074
Mahoning	1,616	5,202	4,731	11,549
Marion	377	981	946	2,304
Medina	490	661	817	1,968
Meigs	744	431	342	1,517
Mercer	430	417	434	1,281
Miami	554	1,271	1,385	3,210
Monroe	280	365	231	876
Montgomery	2,050	6,873	6,851	15,774
Morgan	309	259	236	804
Morrow	513	197	175	885
Muskingum	753	1,486	1,429	3,668
Noble	243	247	151	641
Ottawa	634	424	475	1,533
Paulding	322	175	173	670
Perry	431	577	539	1,547
Pickaway	401	550	400	1,351
Pike	879	199	142	1,220
Portage	1,226	735	883	2,844
Preble	563	352	397	1,312
Putnam	466	333	312	1,111
Richland	658	1,574	1,646	3,878
Ross	1,240	767	668	2,675
Sandusky	471	854	857	2,182
Scioto	1,699	1,527	1,252	4,478
Seneca	412	765	914	2,091
Shelby	459	375	435	1,269
Stark	1,942	5,128	5,614	12,684
Summit	1,551	7,505	7,543	16,599
Trumbull	1,368	2,758	2,872	6,998
Tuscarawas	871	1,636	1,569	4,076
Union	324	360	347	1,031
Van Wert	273	475	416	1,164
Vinton	480	125	119	724
Warren	991	516	567	2,074
Washington	411	1,195	950	2,556
Wayne	660	874	1,006	2,540
Williams	413	490	447	1,350
Wood	599	868	873	2,340
Wyandot	200	323	329	852
County Not Indicated	158	135	149	442
Total	75,365	135,657	137,217	348,239

(a) Applications as of June 30, 1981.

(b) Individuals heating with fuel oil, non-pipeline propane, coal, wood, or kerosene.

(c) Individuals heating with gas, electric, or propane gas delivered by pipeline.

TANGIBLE PERSONAL PROPERTY TAX

Taxes levied on tangible personal property totaled $765.0 million in calendar year 1980, an increase of $37.4 million (5.1%) over the previous year. The statewide average tax rate increased by about 0.5 mill (48.45 mills in 1979 and 48.89 mills in 1980), while tangible property values increased by 4.2%.

The assessment percentages applied to all types of tangible personal property (except electrical equipment) were reduced by two percentage points in 1980. This was the third reduction in assessment percentages under the provisions of Section 5711.22 of the Ohio Revised Code. These assessment levels will all be reduced to 35% by 1984 (except for electrical equipment).

TAX BASE (R.C. 5701.03, 5701.08, 5709.01, 5711.03, 5711.15-5711.18, 5711.22):

Tangible personal property located and used in business in Ohio -- including machinery, equipment, and inventories.

Class of Property	Percentage Applied to True Value to Determine Taxable Value, 1980
Manufacturing Machinery & Equipment	42%
Manufacturers' Inventories	37%
Merchants' Inventories	37%
Electrical Equipment(1)	100%
Furniture, Fixtures, and All Other Property	42%

(1) Property used in generating or distributing electricity to others (except utilities); the total value of this class is not significant.

Taxable value is determined by applying various assessment percentages to the true value of different classes of tangible personal property. The true value of depreciable assets (machinery and equipment, furniture and fixtures, etc.) is statutorily defined as depreciated book value unless the assessor determines otherwise. The true value of manufacturers' and merchants' inventories is determined by the average monthly value (basically, cost of acquisition) of the inventories. Inventories of other taxpayers are listed at their value as of the tax listing date (generally December 31). The table above shows the assessment percentages applied to true value in 1980.

RATES (R.C. 319.31, 5705.02, 5705.03, 5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located (e.g. county, township, municipal corporation, school district, etc.). The rates applied to tangible personal property are the same as those rates developed and applied to the previous year's listing of real estate and public utility property. However, gross taxes levied on real property are reduced when real property values increase, while taxes levied against tangible property are not reduced. The statewide average tax rate on tangible property in 1980 was 48.89 mills.

SPECIAL PROVISIONS (R.C. 5733.061, 5747.051):

An annual credit against the corporate franchise or personal income tax liability of a firm is allowed for a portion of the tangible property taxes timely paid on machinery and equipment used in manufacturing or refining and acquired in 1978 or thereafter. This credit is equal to the difference between the tangible property taxes actually paid on such property and the tax that would have been due if the listing percentage for the property had been 20%. For 1980, this credit was equal to about 52% of the taxes paid on qualified equipment.

EXEMPTIONS AND EXCEPTIONS:

1. Property not used in business; i.e., property owned and not used for gain by any level of government, schools, churches, colleges, etc. (R.C. 5701.08, 5709.07, 5709.08, and 5709.12).
2. Registered motor vehicles and licensed aircraft (R.C. 5701.03 and 5709.01).
3. Personal property used in agriculture (R.C. 5701.08).
4. Patterns, jigs, dies, and drawings used in business which are held for use and not for sale (R.C. 5701.03).
5. Certified air, water, and noise pollution control equipment (R.C. 5709.25 and 6111.35).
6. Tangible personal property of domestic and foreign insurance companies, financial institutions, and dealers in intangibles (except property held by financial institutions or dealers in intangibles for the purpose of leasing to others) (R.C. 5725.25 and 5725.26).
7. Machinery and equipment while under construction and not capable of operation (R.C. 5701.08).
8. Certified energy conversion facilities -- property used to convert a commercial or industrial facility from the use of natural gas or fuel oil to any other fuel except propane, butane, or naptha (R.C. 5709.50).
9. Certified thermal efficiency improvement facilities -- property used for recovery and use of waste heat, or steam produced in generating electricity, heat generation, lighting, refrigeration, or space heating (R.C. 5709.50).
10. Certified solid waste energy conversion facilities -- property used to convert solid waste from industrial operations into energy for some useful purpose (R.C. 5709.50).
11. Inventories held for use in a foreign trade zone (R.C. 5709.44).
12. Property in a public recreational facility used for athletic events if certain criteria are met (5709.081).
13. Property shipped from outside Ohio and held in Ohio for storage only (R.C. 5701.08).

FILING AND PAYMENT DATES (R.C. 319.29, 323.10, 323.16, 323.17, 5711.04, 5711.25, 5719.02):

February 15th to April 30th -- Returns are filed by all businesses during this period unless a time extension of up to 60 days is allowed by the county auditor or Tax Commissioner. Taxpayers first engaging in business after January 1 file a return within 90 days of the day they start business. Single-county corporations, unincorporated businesses, and individuals pay one-half of tax due when filing tax return.

Second Monday in August -- Tax Commissioner certifies preliminary tangible personal property valuations of inter-county corporations to county auditors.

Third Monday in August -- County auditor certifies and delivers tangible personal property list to county treasurer.

September 20th -- Inter-county corporations pay total tax liability by this date. Second half of tax due from all other taxpayers. County commissioners may allow 30-day extension and Commissioner of Tax Equalization may allow additional 15-day extension.

DISPOSITION OF REVENUE (R.C. 319.50, 319.54, 5705.10, 5719.02, 5719.05):

After local administrative deductions, revenue is distributed by county treasurers to counties, municipalities, townships, school districts, and special districts according to the taxable values and total voted millage levied by each, or as apportioned by the county budget commission (millage inside the 10-mill limit). In 1980, school districts received about 71% of the total tax revenue, while municipalities received 10%, townships 3%, and counties and special districts 16%.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5709, 5711 and 5719.

ADMINISTRATION (R.C. 5711.11, 5711.13):

Each county auditor is a deputy of the Tax Commissioner for purposes of this tax. Taxpayers are required to file annual returns with either the Tax Commissioner or the county auditor. The following table indicates where the returns are filed and who is responsible for assessing the property.

Taxpayers	File With And Tax Assessed By
Inter-county corporations (corporations with taxable property in more than one Ohio county)	Tax Commissioner
Single-county corporations (corporations with taxable property in only one Ohio county)	County Auditor
Unincorporated businesses	
With total assessed value over $5,000	County Auditor
With total assessed value under $5,000	County Auditor

RECENT SIGNIFICANT COURT DECISIONS:

Heimerl v. Lindley, Ohio Supreme Court, 63 Ohio St. 2d 309, July 31, 1980.

If a lump-sum purchase price is allocated between tangible personal property and other acquired assets without regard to their fair market value, such allocated purchase price is not the best evidence of true value.

PPG Industries Inc. v. Kosydar, Ohio Supreme Court, 65 Ohio St. 2d 80, March 25, 1981.

Even though Rule OAC 5703-3-27 (formerly TX-41-27, effective May 5, 1973) now requires full absorption costing for valuing inventory, no specific method of valuation was required prior to such rule, and accordingly any generally accepted method of accounting is acceptable for valuing inventory for the 1973 and prior return years. The true value or "302" computation must be adjusted not only for special or unusual circumstances, but also if strict application creates an unjust or unreasonable result.

Chase Brass & Copper Co. v. Lindley, Board of Tax Appeals, Case Nos. 78-B-661, 662 & 665, May 18, 1981.

If the decision to close a plant is made prior to tax listing day, and subsequent to the listing day the plant is closed and eventually sold for a price shown to be at least equal its fair market value on such tax listing day, the true value on tax listing day does not exceed the sale price. If property is transferred from a division to a wholly-owned subsidiary and placed on the subsidiary's books at an appraised value substantially higher than the division's old book value, a claim for deduction from the new book value to revalue the property as if it had not been transferred is improper since the subsidiary's new book value equals true value.

Table 44

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY AND TAXES LEVIED, CALENDAR YEARS 1976 - 1980

Calendar Year	Value Of Tangible Property	Taxes Levied	Annual Change		Average Tax Rate (in mills)
			Value	Taxes	
1976	$13,587,729,179	$628,121,087	+ 8.49%	+ 4.88%	46.23
1977	13,710,520,673	634,346,369	+ 0.90	+ 0.99	46.27
1978	14,273,825,343	674,966,591	+ 4.11	+ 6.40	47.29
1979	15,019,475,224	727,688,836	+ 5.22	+ 7.81	48.45
1980	15,649,200,844	765,047,826	+ 4.19	+ 5.13	48.89

Table 45

TAXES LEVIED ON TANGIBLE PERSONAL PROPERTY, BY SUBDIVISION, CALENDAR YEARS 1976 - 1980

Calendar Year	Taxes Levied Currently					Delinquent Taxes From Former Years	Total Taxes And Delinquencies
	City And Village	School District	Township	County	Total		
1976	$74,051,767	$450,576,256	$12,868,827	$ 90,624,237	$628,121,087	$43,566,364	$671,687,451
1977	73,099,964	453,444,466	13,663,596	94,138,342	634,346,368	49,115,772	683,462,140
1978	74,227,797	484,050,843	15,158,077	101,529,874	674,966,591	53,301,652	728,268,243
1979	78,591,503	518,768,378	17,662,100	112,666,855	727,688,836	62,499,382	790,188,218
1980	78,004,731	541,260,758	20,063,708	125,718,629	765,047,826	69,446,632	834,494,458

Table 46

TAXES LEVIED ON TANGIBLE PERSONAL PROPERTY IN OHIO CITIES, BY SUBDIVISION, CALENDAR YEARS 1976 - 1980

Calendar Year	Taxes Levied Currently					Delinquent Taxes From Former Years	Value of Taxable Property
	City	School District	Township	County	Total		
1976	$68,389,535	$323,145,700	$ 947,087	$66,978,498	$459,460,820	$30,417,326	$ 9,296,961,090
1977	67,035,386	322,998,582	1,001,235	68,525,392	459,560,595	35,393,979	9,325,277,435
1978	67,363,763	342,146,112	1,130,156	74,002,725	484,642,756	41,522,448	9,662,788,090
1979	71,843,920	359,149,695	1,174,179	84,335,779	516,503,573	48,033,492	10,294,237,799
1980	70,993,042	376,632,536	1,485,197	89,644,517	538,755,292	50,568,898	10,486,887,239

Table 47

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY OF INTER-COUNTY CORPORATIONS BY INDUSTRY CLASS AND CLASS OF PROPERTY, CALENDAR YEAR 1980[a]

	Manufacturing Machinery & Equipment[b]	Manufacturers' Inventories	Merchants' Inventories	Furniture, Fixtures & All Other Property	Total
Agriculture & Forestry	$ 2,781,740	$ 2,046,890	$ 1,783,260	$ 5,435,580	$ 12,047,470
Mining	223,048,470	21,618,690	16,165,570	30,460,770	291,293,500
Construction	19,325,670	10,611,500	13,358,540	35,016,100	78,311,810
Manufacturing	3,616,075,724	3,850,910,293	480,755,178	423,287,395	8,371,028,590
Transportation	40,822,660	6,049,610	7,860,660	49,061,360	103,794,290
Wholesale Trade	85,945,140	108,645,840	270,217,980	63,627,420	528,436,380
Retail Trade	28,236,180	41,754,470	641,377,620	265,343,990	976,712,260
Finance	47,397,336	12,487,727	17,925,102	51,991,775	129,801,940
Service	62,973,040	13,190,750	61,128,110	167,047,980	304,339,880
Unclassified[c]	12,180,160	5,230,270	5,661,860	18,042,180	41,114,470
Total	$4,138,786,120	$4,072,546,040	$1,516,233,880	$1,109,314,550	$10,836,880,590

(a) Inter-county corporations are corporations with taxable property in more than one Ohio county.
(b) Includes property used in mining, laundries, dry cleaning, towel and linen supply, stone and gravel plants, and radio and television broadcasting.
(c) Primarily property leased from financial institutions.

Table 48

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY, BY CLASS OF PROPERTY, CALENDAR YEARS 1979 - 1980

(dollar amounts in millions)

Class of Property	Schedule	Assessment Levels (Percent of True Value)		Assessed Taxable Value			
				Intercounty Corporations		All Businesses[a]	
		1979	1980	1979	1980	1979[b]	1980[b]
Manufacturing Machinery & Equipment[c]	2	44%	42%	$ 4,187.4	$ 4,138.8	$ 5,373.1	$ 5,394.8
Manufacturers' Inventories	3	39	37	3,861.8	4,072.6	4,681.8	4,941.2
Merchants' Inventories	3A	39	37	1,407.5	1,516.2	3,140.6	3,352.1
Furniture, Fixtures & All Other Property	4	44	42	1,019.9	1,109.3	1,824.0	1,961.1
Total				$10,476.6	$10,836.9	$15,019.5	$15,649.2

(a) Includes single-county corporations and unincorporated businesses as well as inter-county corporations.
(b) Partially estimated.
(c) Includes property used in mining, laundries, dry cleaning, towel and linen supply, stone and gravel plants, and radio and television broadcasting.

Table 49

PERCENTAGES APPLIED TO TRUE VALUE OF TANGIBLE PERSONAL PROPERTY TO DETERMINE TAXABLE VALUE, TAX YEARS 1973 - 1982

Tax Year	Manufacturing Machinery & Equipment[a]	Manufacturers' Inventories	Merchants' Inventories	Restaurant Property	Electrical Equipment[b]	All Other Property[c]
1973	50	47	47	50	100	62
1974	50	45	45	50	100	58
1975	50	45	45	50	100	54
1976	50	45	45	50	100	50
1977	48	43	43	48	100	48
1978	46	41	41	46	100	46
1979	44	39	39	44	100	44
1980	42	37	37	42	100	42
1981	40	35	35	40	100	40
1982[d]	38	35	35	38	100	38

(a) Includes property used in mining, laundries, dry cleaning, towel and linen supply, stone and gravel plants, and radio and television broadcasting until 1977.
(b) Property used in generating or distributing electricity to others (except utilities).
(c) Includes furniture and fixtures.
(d) Under current provisions of the Ohio Revised Code.

Table 50

ASSESSED VALUE OF TANGIBLE PERSONAL PROPERTY, TAXES LEVIED AND AVERAGE COUNTY RATES ON TANGIBLE PROPERTY, CALENDAR YEAR 1980, BY COUNTY

County	Value of Taxable Property	Taxes Levied(a)	Average County Rate (in mills)
Adams	$ 14,783,827	$ 427,255	28.90
Allen	290,773,709	10,453,922	35.95
Ashland	62,081,221	2,773,804	44.68
Ashtabula	164,167,542	7,712,180	46.98
Athens	17,334,395	859,763	49.60
Auglaize	64,961,606	2,347,535	36.14
Belmont	106,338,813	4,354,534	40.95
Brown	14,960,320	578,887	38.69
Butler	460,695,833	16,873,454	36.63
Carroll	20,636,879	953,466	46.20
Champaign	34,533,006	1,355,563	39.25
Clark	160,574,434	7,706,594	47.99
Clermont	117,546,826	5,333,579	45.37
Clinton	36,042,530	1,573,074	43.64
Columbiana	95,046,025	3,986,367	41.94
Coshocton	67,343,492	2,462,607	36.57
Crawford	99,958,654	4,373,158	43.75
Cuyahoga	2,547,659,706	160,783,464	63.11
Darke	52,096,072	2,050,790	39.37
Defiance	79,330,732	2,748,978	34.65
Delaware	68,705,906	2,874,500	41.84
Erie	140,858,005	7,241,364	51.41
Fairfield	90,337,809	4,855,236	53.75
Fayette	23,728,840	1,087,493	37.85
Franklin	1,086,422,340	47,742,347	43.94
Fulton	49,251,609	2,159,448	43.85
Gallia	27,594,695	888,383	32.19
Geauga	54,444,180	2,973,668	54.62
Greene	71,146,884	3,656,958	51.40
Guernsey	55,239,104	2,383,767	43.15
Hamilton	1,613,928,472	76,096,557	47.15
Hancock	101,149,438	3,902,536	38.58
Hardin	37,719,064	1,501,452	39.81
Harrison	36,313,645	1,451,181	39.96
Henry	47,597,174	2,009,732	42.22
Highland	22,294,841	827,501	37.12
Hocking	21,705,181	838,076	38.61
Holmes	25,123,510	1,022,611	40.70
Huron	75,183,055	3,579,198	47.61
Jackson	31,373,343	1,107,060	35.29
Jefferson	135,899,030	5,737,544	42.22
Knox	50,043,431	1,965,479	39.28
Lake	286,265,211	17,286,590	60.39
Lawrence	51,053,860	1,891,472	37.05
Licking	151,470,013	5,741,272	37.90
Logan	$ 45,910,210	$ 2,137,233	46.55
Lorain	431,336,005	23,133,233	53.63
Lucas	758,842,818	38,565,701	50.82
Madison	17,149,306	738,541	43.07
Mahoning	300,772,294	15,147,423	50.36
Marion	122,610,091	6,256,711	51.03
Medina	105,768,552	6,032,819	57.04
Meigs	31,391,584	1,125,610	35.86
Mercer	53,416,823	1,953,425	36.57
Miami	137,690,012	6,795,245	49.35
Monroe	98,602,315	3,498,294	35.48
Montgomery	821,316,177	45,412,883	55.29
Morgan	17,196,403	589,979	34.31
Morrow	15,776,222	634,516	40.22
Muskingum	110,006,266	4,705,212	42.77
Noble	10,008,265	298,006	29.78
Ottawa	46,325,775	2,073,531	44.76
Paulding	16,201,671	748,675	46.21
Perry	16,093,424	725,371	45.07
Pickaway	64,810,435	2,489,824	38.42
Pike	11,426,292	572,875	50.14
Portage	116,382,157	6,891,844	59.22
Preble	18,297,893	762,724	41.68
Putnam	32,468,770	1,166,282	35.92
Richland	224,151,550	10,128,978	45.19
Ross	105,132,061	4,833,781	45.98
Sandusky	106,936,632	4,187,465	39.16
Scioto	98,490,702	4,106,155	41.69
Seneca	137,914,640	[illegible],259,459	38.14
Shelby	98,577,923	3,991,062	40.49
Stark	612,438,040	27,502,950	44.91
Summit	671,504,277	35,934,556	53.51
Trumbull	474,659,530	20,221,643	42.60
Tuscarawas	125,375,263	5,457,767	43.53
Union	60,666,217	2,215,326	36.52
Van Wert	48,635,662	2,181,775	44.86
Vinton	18,496,910	638,903	34.54
Warren	64,086,044	3,153,203	49.20
Washington	127,855,502	5,119,714	40.04
Wayne	147,512,845	6,534,421	44.30
Williams	70,782,640	3,205,644	45.29
Wood	158,994,845	6,087,647	38.29
Wyandot	30,475,539	1,301,021	42.69
Total	$15,649,200,844	$765,047,826	48.89

(a)All levies for current expense and debt for all local governments.

Table 51

TAXES LEVIED CURRENTLY BY SCHOOL DISTRICTS AND ALL LOCAL GOVERNMENTS ON TANGIBLE PERSONAL PROPERTY, CALENDAR YEAR 1980, BY COUNTY

County	Taxes Levied Locally on Tangible Personal Property		
	By All Local Governments	By School Districts	
		Amount	Percent Of Total
Adams	$ 427,255	$ 300,112	70.24%
Allen	10,453,922	8,173,998	78.19
Ashland	2,773,804	2,177,970	78.52
Ashtabula	7,712,180	5,520,924	71.59
Athens	859,763	668,302	77.73
Auglaize	2,347,535	1,821,357	77.59
Belmont	4,354,534	3,338,652	76.67
Brown	578,887	418,433	72.28
Butler	16,873,454	12,684,840	75.18
Carroll	953,466	705,355	73.98
Champaign	1,355,563	1,086,048	80.12
Clark	7,706,594	6,048,325	78.48
Clermont	5,333,579	4,075,539	76.41
Clinton	1,573,074	1,089,389	69.25
Columbiana	3,986,367	3,020,068	75.76
Coshocton	2,462,607	1,985,071	80.61
Crawford	4,373,158	3,733,259	85.37
Cuyahoga	160,783,464	97,859,762	60.86
Darke	2,050,790	1,439,433	70.19
Defiance	2,748,978	2,233,684	81.26
Delaware	2,874,500	2,311,366	80.41
Erie	7,241,364	5,731,227	79.15
Fairfield	4,855,236	4,100,442	84.45
Fayette	1,087,493	821,250	75.52
Franklin	47,742,347	34,605,925	72.48
Fulton	2,159,448	1,594,923	73.86
Gallia	888,383	713,193	80.28
Geauga	2,973,668	2,290,999	77.04
Greene	3,656,958	2,480,513	67.83
Guernsey	2,383,767	1,771,871	74.33
Hamilton	76,096,557	48,350,591	63.54
Hancock	3,902,536	3,101,441	79.47
Hardin	1,501,452	1,183,587	78.83
Harrison	1,451,181	1,092,486	75.28
Henry	2,009,732	1,548,156	77.03
Highland	827,501	597,685	72.23
Hocking	838,076	573,270	68.40
Holmes	1,022,611	772,645	75.56
Huron	3,579,198	2,852,628	79.70
Jackson	1,107,060	750,220	67.77
Jefferson	5,737,544	4,261,166	74.27
Knox	1,965,479	1,544,744	78.59
Lake	17,286,590	12,931,947	74.81
Lawrence	1,891,472	1,485,386	78.53
Licking	5,741,272	4,450,492	77.52
Logan	$ 2,137,233	$ 1,704,169	79.74%
Lorain	23,133,233	17,546,993	75.85
Lucas	38,565,701	27,831,279	72.17
Madison	738,541	539,184	73.01
Mahoning	15,147,423	10,723,696	70.80
Marion	6,256,711	4,830,663	77.21
Medina	6,032,819	4,993,934	82.78
Meigs	1,125,610	822,122	73.04
Mercer	1,953,425	1,589,121	81.35
Miami	6,795,245	5,308,567	78.12
Monroe	3,498,294	2,799,726	80.03
Montgomery	45,412,883	30,977,403	68.21
Morgan	589,979	462,831	78.45
Morrow	634,516	444,525	70.06
Muskingum	4,705,212	3,702,840	78.70
Noble	298,006	228,811	76.78
Ottawa	2,073,531	1,676,657	80.86
Paulding	748,675	571,551	76.34
Perry	725,371	539,774	74.41
Pickaway	2,489,824	1,858,976	74.66
Pike	572,875	386,493	67.47
Portage	6,891,844	5,513,735	80.00
Preble	762,724	566,850	74.32
Putnam	1,166,282	854,477	73.27
Richland	10,128,978	7,817,489	77.18
Ross	4,833,781	3,642,973	75.36
Sandusky	4,187,465	3,242,733	77.44
Scioto	4,106,155	2,992,561	72.88
Seneca	5,259,459	4,214,443	80.13
Shelby	3,991,062	3,138,948	78.65
Stark	27,502,950	21,711,398	78.94
Summit	35,934,556	23,911,903	66.54
Trumbull	20,221,643	15,657,832	77.43
Tuscarawas	5,457,767	4,227,914	77.47
Union	2,215,326	1,762,026	79.54
Van Wert	2,181,775	1,541,375	70.65
Vinton	638,903	394,018	61.67
Warren	3,153,203	2,543,146	80.65
Washington	5,119,714	4,002,219	78.17
Wayne	6,534,421	5,197,904	79.55
Williams	3,205,644	2,653,560	82.78
Wood	6,087,647	4,815,105	79.10
Wyandot	1,301,021	1,020,160	78.41
Total	$765,047,826	$541,260,758	70.75%

INTANGIBLE PROPERTY TAXES

Ohio law provides for the taxation of six classes of intangible property -- investments, deposits, credits, money, other intangible property, and shares in and capital employed by dealers in intangibles and financial institutions. Although all of these types of property are included on the intangible property tax lists, we have separated the descriptive section on the intangible property tax into 3 divisions. This separation is based on the differing administrative procedures followed based on the identity of the taxpayer. The three divisions are: (1) intangible property taxes paid by individuals, unincorporated businesses, non-financial corporations, and public utilities; (2) intangible property taxes paid by financial institutions; and (3) intangible property taxes paid by dealers in intangibles. Data for tax collections from all three of these groups are shown in the combined tables following the tax descriptions.

Total taxes levied on intangible property in calendar year 1980 were $250,410,272 -- an increase of about 7% from the previous year. Taxes levied and payable to the State Treasurer were $145,461,219 in calendar year 1980, with $133,707,421 allocated to the 88 county undivided local government funds and $11,753,798 allocated to the state general revenue fund. Taxes levied and payable to county treasurers and allocated to the 88 undivided county classified property tax funds amounted to $104,949,053 in calendar year 1980, with $86,818,170 of this amounted distributed to libraries.

INTANGIBLE PROPERTY TAXES PAID BY INDIVIDUALS, UNINCORPORATED BUSINESSES, NON-FINANCIAL CORPORATIONS, AND PUBLIC UTILITIES

Intangible property taxes paid by these taxpayers are paid to either the State Treasurer (state-collected) or the county treasurers (locally-collected). Intangible property taxes paid by public utilities and inter-county corporations (corporations with taxable property in more than one county) are collected by the State Treasurer, Taxes on the intangible property of individuals, unincorporated businesses, and single-county corporations (corporations with taxable property in one county) are collected by the treasurer of the county where the taxpayers reside or do business. Total intangible taxes levied on these taxpayers in calendar year 1980 amounted to $111,935,711 -- with $6,986,658 of this amount payable to the State Treasurer (deposited in state general revenue fund) and $104,949,053 payable to county treasurers (deposited in county undivided classified property tax funds).

TAX BASE (R.C. 5701.04-5701.10, 5711.22, 5725.05) AND RATES (R.C. 5707.03, 5707.04):

Type of Property[a]	Base	Rate
Investments:		
productive	Income Yield	5.0%
unproductive	Value	0.2% (2 mills)
Deposits	Value	0.2% (3 mills)
Credits	Value	0.3% (3 mills)
Money and Other Intangible Property	Value	0.3% (3 mills)

[a] Definitions:

"Investments" include: (1) shares of stock in corporations, associations, or joint stock companies; (2) interest-bearing obligations such as notes, corporate and municipal bonds, and deposits in financial institutions located outside of Ohio (if income yield exceeds 4%); (3) land contracts, annuities, and royalties from patents; and (4) equitable interests (including trusts and life estates) in any of these investments.

"Deposits" include: deposits in financial institutions (unless the tax is paid by the financial institution), member shares of federal credit unions, and postal savings accounts. Financial institutions in Ohio are required to pay the tax for their depositors.

TAX BASE AND RATES (cont'd):

"Credits" are the excess of current accounts receivable over current accounts payable. Tax applies only to accounts used in business.

"Money" includes: (1) gold, silver, and other coins; (2) U.S. legal tender notes; and (3) other notes and certificates of the U.S. intended for circulation.

"Other intangible property" includes every valuable right, title, or interest not included in the other definitions of intangible property unless expressly excluded from those definitions. Examples include escrow accounts, deposits with utilities, and surety bonds.

EXEMPTIONS AND EXCEPTIONS:

Exemptions (R.C. 140.08, 5709.02, 5709.04, 5709.041, 5725.26):

1. Intangible property belonging to organizations operated exclusively for the following purposes: religious, educational, charitable, scientific, literary, health, hospital, other public purposes, prevention of cruelty to children or animals, homes for the aged.
2. Deposits representing withheld taxes, and deposits not used in business to the extent that they represent funds belonging to non-residents of Ohio.
3. Delayed price sales agreements for grain or soybeans if entered into by a person engaged in agriculture.
4. State bonds issued under Constitutional and Ohio Revised Code sections authorizing exempt status.
5. Bonds issued by public hospital agencies.
6. Shares owned by a corporation in any other corporation or its own treasury stock.
7. Shares owned by an unincorporated mutual fund.
8. All intangible property of financial institutions and dealers in intangibles.

Exceptions (R.C. 5701.06):

1. Shares of stocks as follows:

   Issued by instrumentalities of the federal government;
   In financial institutions, dealers in intangibles, and domestic insurance companies;
   Those defined as deposits.

2. Interest-bearing obligations as follows:

   Issued by the U.S. or any of its territories, districts, or dependencies;
   Issued by any instrumentality of the federal government;
   Issued prior to 1913 by the state of Ohio or any subdivision;
   Those defined as deposits and current accounts.

3. Contractual obligations for payment of money as follows:

   Interest in land;
   Contracts of insurance;
   Contracts of employment or partnership and retirement annuities resulting therefrom;
   Pension and profit-sharing plans.

TAXPAYER (R.C. 5711.01, 5727.01), DATES OF PAYMENT (R.C. 323.16, 5719.02, 5725.06, 5725.22), DISPOSITION OF REVENUE (R.C. 5725.24,5707.05) AND RETURN DATES (R.C. 5711.02, 5711.13, 5727.08, 5727.17):

Except for public utilities, returns must be filed between February 15th and April 30th (public utilities file returns including all of their property by March 1st) unless time extension of 60 days is allowed by county auditor or Tax Commissioner. The Tax Commissioner certifies the intangible property values of inter-county corporations and public utilities to the State Auditor by the second Monday in August and the first Monday in October, respectively.

Intangible Taxes Collected by State Treasurer

Taxpayer	Payment Dates	Disposition of Revenue
Inter-county Corporations	September 30	State General Revenue Fund
Public Utilities	November 30	State General Revenue Fund

Intangible Taxes Collected by County Treasurers

Individuals	April 30 and September 20	Undivided Classified Property Tax Fund (primarily distributed to libraries but including municipalities, counties, and township park districts).
Unincorporated Businesses	April 30 and September 20	
Single-county Corporations	April 30 and September 20	

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5707, 5709, 5711, 5719, 5725, 5727.

ADMINISTRATION (R.C. 5711.11, 5711.13):

Each county auditor is a deputy of the Tax Commissioner for the purpose of administering the intangible property tax (except the tax on public utilities). Taxpayers are required to file returns with either the Tax Commissioner or the county auditor. The following table indicates where the returns are filed and who is responsible for assessing the property.

Taxpayer	Filed With And Tax Assessed By
Inter-county corporations (corporations with taxable property in more than one Ohio county)	Tax Commissioner
Public utilities	Tax Commissioner
Single-county corporations (corporations with taxable property in only one Ohio county)	County Auditor
Individuals and Unincorporated Businesses:	
property over $5,000 in value or $500 in income yield	County Auditor
property under $5,000 in value or $500 in income yield	County Auditor

RECENT SIGNIFICANT COURT DECISIONS:

Hamilton Lerner Shops Inc. v. Lindley, Ohio Supreme Court, 66 Ohio St. 2d 300, June 3, 1981.

> Prepaid expenses of an Ohio corporation doing no business outside this state are properly sitused to Ohio even though the expenses are paid for services to be performed without Ohio, since situsing is controlled by the location of business transacted by the recipient, not the provider, of the services.

E. E. Mayer, dba Tingley, Hurd & Emens v. Lindley, Board of Tax Appeals, Case Nos. 80-D-281 & 282, April 21, 1981.

> An unbilled time account for professional legal services rendered under a contractual arrangement is neither an account receivable for purposes of R.C. 5701.07 nor an other taxable intangible under R.C. 5701.09.

INTANGIBLE PROPERTY TAXES PAID BY FINANCIAL INSTITUTIONS

Financial institutions pay intangible property taxes on the value of their deposits and the value of their shares or capital employed. The depositors need not pay tax on deposits when the tax has been paid by a financial institution. Taxes levied on deposits in Ohio financial institutions amounted to $122.3 million in 1980, while $12.4 million were levied on shares in financial institutions.

TAX BASE (R.C. 5701.05, 5725.04, 5725.05) AND RATES (R.C. 5707.03):

Type of Property	Base	Rate
Deposits(a)	value	0.2% (2 mills)
Shares In and Capital Employed By(b)	value	0.3% (3 mills)

(a) Includes running and paid-up stock of building and loan associations and members' withdrawable shares in credit unions.

(b) Includes capital stock, surplus, undivided profits, and reserves.

EXEMPTIONS (R.C. 5709.03, 5709.04, 5709.041, 5725.03, 5725.04, and Tax Commissioner Rule 5703-3-19):

Exempt deposits include deposits of:

1. the federal government or any of its agencies;
2. the state or any of its subdivisions;
3. other financial institutions;
4. dealers in intangibles;
5. domestic insurance companies;
6. charitable, religious, educational, etc. organizations;
7. non-residents when not used in business;
8. any depositor when the deposit represents taxes withheld on persons other than the depositor;
9. a business when the deposit has a legal situs outside of Ohio.

Exempt shares include shares owned by:

1. charitable organizations;
2. dealers in intangibles;
3. domestic insurance companies;
4. other financial institutions.

TAXPAYER (R.C. 5725.01):

Firms having an office in Ohio when the firm is:

1. engaged in business of receiving deposits, lending money, and buying and selling bullion, bills of exchange, notes, bonds, stocks, or other evidence of indebtedness (state and national banks, federal savings and loan associations, state building and loan associations, state-chartered credit unions);
2. licensed as a small business investment company;
3. chartered as a production credit association.

FILING AND PAYMENT DATES (R.C. 5725.02, 5725.06, 5725.10, 5725.22):

Second Monday in March -- Returns must be filed by this date unless a time extension (not to exceed 60 days) is allowed by the Tax Commissioner.

First Monday in June -- Tax Commissioner certifies tax base to the State Auditor.

July 31 -- Payment to State Treasurer is due.

DISPOSITION OF REVENUE (R.C. 5725.24):

Deposits -- All receipts are distributed to the county where the deposit is held. The revenue is placed in each county's undivided local government fund and distributed among the local subdivisions by the county budget commissions.

Shares in and Capital Employed:
a) One mill of receipts credited to the state general revenue fund.
b) Two mills of receipts distributed to county where principal office of a financial institution is located. Revenue placed in each county's undivided local government fund.

OHIO REVISED CODE CITATIONS:

Chapters 5701, 5707, 5709, 5719, and 5725.

ADMINISTRATION (R.C. 5725.02, 5725.07):

Returns are filed with the Tax Commissioner -- who determines the taxable values. Taxes are collected by the State Treasurer.

RECENT LEGISLATION:

H.B. 200, Effective August 25, 1981.

Suspends authority of financial institutions to charge their depositors for taxes paid on deposits. This suspension is effective until June 30, 1983 and continues a suspension which expired June 30, 1981.

INTANGIBLE PROPERTY TAXES PAID BY DEALERS IN INTANGIBLES

Dealers in intangibles pay intangible property taxes on the fair value of the shares of their stockholders allocated to Ohio on the basis of gross receipts. Taxes levied on shares of dealers in intangibles amounted to $3.8 million in CY 1980.

TAX BASE (R.C. 5725.13, 5725.14, 5725.15):

The tax base for dealers in intangibles is either:

1. shares of stock of incorporated dealers in intangibles and unincorporated dealers in intangibles with capital stock divided into shares; or

2. capital employed in Ohio by an unincorporated dealer in intangibles with capital stock not divided into shares.

For dealers in intangibles with offices in more than one state, the tax base is allocated to Ohio based on gross receipts from offices in Ohio.

RATES (R.C. 5707.03):

Rate on fair value of shares or capital employed is 6 mills.

EXEMPTIONS (R.C. 5709.04, 5725.01, 5725.26):

Excluded from definition of dealer in intangibles:

1. institutions used exclusively for charitable purposes;
2. insurance companies;
3. financial institutions.

Shares owned by the following are excluded from base:

1. financial institutions;
2. domestic insurance companies;
3. institutions used exclusively for charitable purposes;
4. other dealers in intangibles.

TAXPAYER (R.C. 5725.01):

Firms having an office in Ohio and engaged in: (1) lending money; (2) discounting, buying, or selling bills of exchange, drafts, acceptances, notes, mortgages, or other evidences of indebtedness; or (3) buying or selling bonds, stocks, or other investment securities.

FILING AND PAYMENT DATES (R.C. 5725.06, 5725.10, 5725.14, 5725.16, 5725.22):

Second Monday in March -- Returns must be filed by this date unless a time extension (not to exceed 60 days) is allowed by the Tax Commissioner.

First Monday in June -- Tax Commissioner certifies tax base by county to State Auditor.

July 31 -- Payment to State Treasurer is due.

DISPOSITION OF REVENUE (R.C. 5725.15, 5725.24):

1. One mill of receipts credited to state General Revenue fund.
2. Five mills of receipts distributed to the county where the firm's capital was employed (determined on the basis of gross receipts). Revenue is placed in each county's undivided local government fund and distributed among the local subdivisions by the county budget commissions.

OHIO REVISED CODE CITATIONS:

Chapters 5707, 5709, and 5725.

ADMINISTRATION (R.C. 5725.14):

Returns are filed with the Tax Commissioner -- who determines the taxable values. Taxes are collected by the State Treasurer.

Table 52

INTANGIBLE PROPERTY TAXES LEVIED, BY LEVEL OF COLLECTION AND DISTRIBUTION OF FUNDS, CALENDAR YEAR 1980

Collected By	Allocation to County Undivided Local Government Funds	Undivided County Classified Property Tax Funds	State General Revenue Fund	Total
County Treasurer	-	$104,949,053*	-	$104,949,053
State Treasurer	$133,707,421	-	$11,753,798	$145,461,219
Total	**$133,707,421**	**$104,949,053**	**$11,753,798**	**$250,410,272**

* $96,639,066 was distributed to public libraries.

Source: Department of Tax Equalization and Department of Taxation.

Table 53

INTANGIBLE PROPERTY TAXES LEVIED, BY LEVEL OF COLLECTION AND FORM OF PROPERTY, CALENDAR YEARS 1976 - 1980

Level of Collection and Form of Property	1976	1977	1978	1979	1980
Locally-Collected[a]					
Productive Investments	$ 67,458,690	$ 73,073,831	$ 79,672,874	$ 86,002,745	$ 96,094,059
Unproductive Investments	2,186,115	2,201,493	2,165,844	2,353,574	2,670,636
Deposits	369,296	237,537	240,385	251,232	293,696
Credits	3,719,632	3,970,488	4,289,429	4,781,476	5,334,348
Money & Other Intangibles	650,577	500,747	511,075	509,270	556,314
Total -- Locally-Collected	$ 74,384,310	$ 79,984,096	$ 86,879,607	$ 93,898,297	$104,949,053
State-Collected					
Public Utility Companies:					
Productive Investments	$ 35,296	$ 30,994	$ 31,494	$ 203,505	$ 98,175
Unproductive Investments	3,749	26,514	33,861	17,349	15,943
Deposits	54,977	61,238	30,493	31,827	34,150
Credits	85,684	213,875	145,115	94,602	140,651
Money & Other Intangibles	6,372	8,103	36,917	68,565	77,479
Total	$ 186,078	$ 340,724	$ 277,880	$ 415,848	$ 366,398
Intercounty Corporations:					
Productive Investments	$ 1,488,092	$ 2,131,191	$ 2,069,501	$ 2,321,860	$ 2,327,322
Unproductive Investments	376,372	434,923	640,747	668,586	728,263
Deposits	397,285	410,887	415,597	305,861	332,134
Credits	2,221,374	2,211,025	2,476,165	2,857,028	2,889,594
Money & Other Intangibles	288,633	296,471	334,019	344,463	342,947
Total	$ 4,771,756	$ 5,484,497	$ 5,936,049	$ 6,497,798	$ 6,620,260
Financial Institutions and Dealers in Intangibles:					
Deposits In:					
Banks	$ 45,748,104	$ 49,509,331	$ 53,840,190	$ 58,795,784	$ 61,606,797
Building & Loans	37,936,832	43,144,553	49,149,843	54,200,240	58,595,869
State Credit Unions	1,399,018	1,550,860	1,783,413	1,997,137	2,077,155
Federal Credit Unions	750,986	810,045	863,045	517,789	0
Total	$ 85,834,940	$ 95,014,789	$105,636,491	$115,510,950	$122,279,821
Shares In:					
Banks	$ 8,906,691	$ 9,674,670	$ 10,525,158	$ 8,246,022	$ 5,136,388
Building & Loans	4,439,685	4,838,659	5,461,105	6,166,788	6,539,294
State Credit Unions	199,441	223,089	254,184	297,061	333,073
Small Business Investment Co.	208,840	252,883	307,247	347,214	399,344
Dealers in Intangibles	2,758,654	3,023,727	2,920,458	3,099,083	3,786,641
Total	$ 16,513,311	$ 18,013,028	$ 19,468,152	$ 18,156,168	$ 16,194,740
Total -- State-Collected	$107,306,065	$118,853,038	$131,318,572	$140,580,764	$145,461,219
Grand Total	$181,690,395	$198,837,134	$218,198,179	$234,479,061	$250,410,272

(a) Includes property of individuals, partnerships, and single-county corporations.

SOURCE: Ohio Department of Tax Equalization and Ohio Department of Taxation.

Table 54

INTANGIBLE TAXES LEVIED, BY FORM OF PROPERTY, CALENDAR YEARS 1979 AND 1980

Form of Property Subject to Tax	Tax Rate	1979		1980	
		Amount	Percent of Total	Amount	Percent of Total
Productive Investments:	0.05				
Individuals, Partnerships, and Single-County Corporations		$ 86,002,745		$ 96,094,059	
Public Utilities		203,505		98,175	
Inter-county Corporations		2,321,860		2,327,322	
Total		$ 88,528,110	37.76%	$ 98,519,556	39.34%
Unproductive Investments:	0.002				
Individuals, Partnerships, and Single-County Corporations		$ 2,353,574		$ 2,670,636	
Public Utilities		17,349		15,943	
Inter-county Corporations		668,586		728,263	
Total		$ 3,039,509	1.30%	$ 3,414,842	1.36%
Deposits:	0.002				
Outside the State:					
Individuals, Partnerships, and Single-County Corporations		$ 251,232		$ 293,696	
Public Utilities		31,827		34,150	
Inter-county Corporations		305,861		332,134	
In Ohio Financial Institutions		115,510,950		122,279,821	
Total		$116,099,870	49.51%	$122,939,801	49.10%
Credits:	0.003				
Individuals, Partnerships, and Single-County Corporations		$ 4,781,476		$ 5,334,348	
Public Utilities		94,602		140,651	
Inter-county Corporations		2,857,028		2,889,594	
Total		$ 7,733,106	3.30%	$ 8,364,593	3.34%
Money and Other Intangibles:	0.003				
Individuals, Partnerships, and Single-County Corporations		$ 509,270		$ 556,314	
Public Utilities		68,565		77,479	
Inter-county Corporations		344,463		342,947	
Total		$ 922,298	0.39%	$ 976,740	0.39%
Shares and Capital Employed In:					
Financial Institutions	0.003	$ 15,057,085		$ 12,408,099	
Dealers in Intangibles	0.006	3,099,083		3,786,641	
Total		$ 18,156,168	7.74%	$ 16,194,740	6.47%
Grand Total		$234,479,061	100.00%	$250,410,272	100.00%

Table 55

INTANGIBLE PROPERTY TAXES LEVIED FOR LOCAL GOVERNMENT PURPOSES, CALENDAR YEAR 1980, BY COUNTY

County	Locally-Collected(1)	State-Collected(2)	Total	County	Locally-Collected(1)	State-Collected(2)	Total
Adams	$ 33,452	$ 166,602	$ 200,054	Logan	$ 190,825	$ 464,926	$ 655,751
Allen	829,953	1,848,833	2,678,786	Lorain	1,329,728	2,596,099	3,925,827
Ashland	356,928	510,438	867,366	Lucas	4,555,372	6,146,668	10,702,040
Ashtabula	519,164	1,057,418	1,576,582	Madison	125,743	269,222	394,965
Athens	160,052	364,030	524,082	Mahoning	1,964,654	3,658,638	5,623,292
Auglaize	361,494	556,000	917,494	Marion	390,381	764,468	1,154,849
Belmont	426,683	1,017,390	1,444,073	Medina	665,400	949,814	1,615,214
Brown	115,165	276,853	392,018	Meigs	46,449	149,444	195,893
Butler	1,722,646	2,427,690	4,150,336	Mercer	273,623	569,276	842,899
Carroll	124,099	154,926	279,025	Miami	904,780	1,040,704	1,945,484
Champaign	158,347	371,668	530,015	Monroe	32,681	79,036	111,717
Clark	825,473	1,477,294	2,302,767	Montgomery	6,259,628	7,094,056	13,353,684
Clermont	455,679	658,089	1,113,768	Morgan	43,539	105,309	148,848
Clinton	319,111	348,420	667,531	Morrow	62,235	129,365	191,600
Columbiana	621,825	1,147,658	1,769,483	Muskingum	476,856	906,143	1,382,999
Coshocton	278,446	353,698	632,144	Noble	19,048	100,691	119,739
Crawford	277,815	655,011	932,826	Ottawa	254,012	445,628	699,640
Cuyahoga	23,564,605	27,882,972	51,447,577	Paulding	68,528	157,709	226,237
Darke	292,745	653,212	945,957	Perry	48,573	171,910	220,483
Defiance	205,066	598,860	803,926	Pickaway	144,961	340,923	485,884
Delaware	429,050	407,315	836,365	Pike	60,974	142,156	203,130
Erie	799,353	827,419	1,626,772	Portage	728,117	956,747	1,684,864
Fairfield	647,577	802,958	1,450,535	Preble	142,114	306,721	448,835
Fayette	170,305	270,006	440,311	Putnam	120,501	413,574	534,075
Franklin	8,915,707	11,546,600	20,462,307	Richland	1,280,028	1,476,251	2,756,279
Fulton	229,766	541,497	771,263	Ross	313,804	589,278	903,082
Gallia	94,303	268,238	362,541	Sandusky	389,076	745,790	1,134,866
Geauga	1,148,425	562,977	1,711,402	Scioto	262,321	742,522	1,004,843
Greene	655,314	1,028,058	1,683,372	Seneca	469,829	915,003	1,384,832
Guernsey	132,034	508,401	640,435	Shelby	301,148	497,969	799,117
Hamilton	18,308,433	13,045,555	31,353,988	Stark	3,286,013	5,049,627	8,335,640
Hancock	659,174	809,526	1,468,700	Summit	5,137,904	6,221,262	11,359,166
Hardin	123,416	340,863	464,279	Trumbull	1,419,091	2,490,804	3,909,895
Harrison	260,044	156,911	416,955	Tuscarawas	480,223	1,042,198	1,522,421
Henry	203,385	345,488	548,873	Union	174,607	307,247	481,854
Highland	178,605	389,430	568,035	Van Wert	192,793	327,823	520,616
Hocking	69,989	208,841	278,830	Vinton	21,480	67,186	88,666
Holmes	127,812	226,849	354,661	Warren	478,666	515,106	993,772
Huron	303,565	751,868	1,055,433	Washington	335,537	657,372	992,909
Jackson	134,292	261,296	395,588	Wayne	798,795	1,205,413	2,004,208
Jefferson	508,293	1,046,576	1,554,869	Williams	330,147	487,374	817,521
Knox	273,712	497,615	771,327	Wood	1,418,809	1,017,000	2,435,809
Lake	2,004,235	2,187,811	4,192,046	Wyandot	136,367	203,209	339,576
Lawrence	95,479	442,410	537,889				
Licking	692,677	1,186,552	1,879,229	Total	$104,949,053	$133,705,783	$238,654,836

(1) Taxes paid by individuals, unincorporated businesses, and corporations with property in only one Ohio county.
(2) 2 mills of receipts from share tax on financial institutions, 2-mill tax on deposits paid by financial institutions, 5 mills of receipts from tax on shares in and capital employed by dealers in intangibles.

SOURCE: Ohio Department of Tax Equalization and Ohio Department of Taxation.

PUBLIC UTILITY EXCISE TAX

The public utility excise tax, a tax for the privilege of doing business in Ohio, is payable by virtually all companies classified by statute as public utilities. Companies liable for this tax do not pay the corporation franchise tax. Only utilities owned by municipal corporations are exempt from the public utility excise tax.

Both tax base and rates vary with the class of utility. Gross receipts or gross earnings comprise the tax base for most utility classes, with rates ranging from 3.35% to 6% (Senate Bill 448, effective December 19, 1980, increased all of these rates by 1% for only the tax certified in 1981). The rate is 3.5% for companies which are taxed on a capital stock base. (This rate was not temporarily increased by Senate Bill 448.) Companies with a preceding year's tax liability of $1,000 or more are liable during each calendar year for three advance payments -- each in an amount equal to one-third or one-fourth of the previous year's certified tax liability, depending on the type of utility. (Senate Bill 448 provided that the advance payments of those companies subject to the one-third requirement must each equal 42% of the 1980 liability for advance payments made in 1981.) Regardless of the advance payments required, a final payment is due in December for the balance of the current liability determined by the tax base certifications made by the Tax Commissioner to the Auditor of State.

Since the utilities' tax payments are on a calendar year schedule, the taxes collected by the state during a fiscal year thus reflect payments calculated according to tax liability certifications for two different years.

Total public utility excise taxes of $340.5 million were certified in November, 1980, an increase of 10.6% from the previous year. Electric light companies accounted for about 52% of total taxes levied, while the natural gas industry accounted for 24% and the telephone industry accounted for 20% of the total. Therefore, these three main industries were responsible for 96% of the total excise taxes on public utilities.

TAX BASE (R.C. 5727.01, 5727.26, 5727.38, 5727.39, 5727.40, 5727.41):

Gross receipts, gross earnings, or value of capital stock, depending upon class of utility.

EXEMPTIONS AND DEDUCTIONS (R.C. 5727.05, 5727.33, 5727.34, 5727.38, 5727.44):

Exempt Utilities:

1. Municipally-owned utilities.

Deductions from Gross Receipts:

1. $25,000 for electric, gas, water, and telephone companies.
2. Amounts attributable to sales of merchandise and electrical appliances.
3. Amounts determined by special formula for utilities operating in municipal corporations whose voter-approved charters allow property tax rates not subject to additional voter approval to be higher than the 10 mills otherwise pemitted by state law. Charter-city deduction equals 1% of charter-city portion of company's tax base (as apportioned by the utility's property values) times the ratio of "excess millage" to 5 mills. "Excess millage" equals the excess over 10 mills of the sum of (a) county, township, and school district levies within the 10-mill limit, and (b) municipal operating levies within the municipality's charter limitation, whether within or outside the 10-mill limit.
4. Receipts derived wholly from interstate business.
5. Sales to other public utilities for resale.
6. Receipts from business done for the federal government.

TAX RATES, BY TAXPAYER CLASS:

Utility Class	Tax Rate and Base[(a)]
Electric Light, Rural Electric, Intrastate Toll Bridge, Artificial Gas, Natural Gas, Waterworks, Telephone, Union Depot, Heating, Cooling, and Water Transportation Companies (R.C. 5727.38, 5727.81)	4.00% of gross receipts from intrastate business. (Minimum tax - $10)
Railroads (R.C. 5727.40)	4.50% of gross earnings from intrastate business. (Minimum tax - $10)
Express, Messenger, Telegraph, and Pipe Line Companies (R.C. 5727.38, 5727.39, 5727.41, 5727.81)	4.65% of gross receipts from intrastate business for express, 3.35% for Messenger, 4.00% for Telegraph, 6.00% for Pipe Line. (Minimum tax - $10)
Freight Line, and Equipment Companies (R.C. 5727.27, 5727.81)	3.50% of capital stock representing capital and property owned or used in Ohio.

(a) The rates for all utilities, except freight line and equipment companies, were increased by 1% for the 1981 certification. (See: "**Recent Legislation**")

TAX REPORTING AND CERTIFICATION DEADLINES:

Utility Class	Deadlines	For
Freight Line, and Equipment Companies (R.C. 5727.24, 5727.25 5727.26, 5727.27)	May 31*	Company's annual statement to Tax Commissioner for preceding calendar year.
	First Monday in September	Commissioner's determination of amount of capital stock.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.
Railroads (R.C. 5727.31, 5727.32, 5727.34, 5727.37)	September 1*	Company's annual statement to Tax Commissioner for year ending on June 30.
	First Monday in October	Commissioner's determination of gross earnings.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.
All Other Public Utilities (R.C. 5727.31, 5727.32 5727.33, 5727.36)	August 1*	Company's annual statement to Tax Commissioner for year ending on April 30 (June 30 for express, telephone, and telegraph companies).
	First Monday In September	Commissioner's certification of tax base to Auditor of State.
	First Monday in November	Commissioner's certification of tax base to Auditor of State.

*Subject to time extension of 60 days (R.C. 5727.48)

TAX PAYMENT DEADLINES:

Utility Class	Deadlines	For
All Utility Companies except Freight Line & Equipment Companies (R.C. 5727.31)	January 15, March 1, and June 1	Reports to Tax Commissioner and advance payments to State Treasurer for tax liability to be certified for collection in December. Each payment equal to one-third of previous year's liability. These reports and payments are due from each utility with an excise tax liability for the previous year in excess of $1,000. Note: Advance payments in 1981 were equal to 42% of the 1980 liability. (See "**Recent Legislation.**")
Freight Line and Equipment Companies (R.C. 5727.24)	March 1, June 1, and September 1	Reports to Tax Commissioner and advance payments to State Treasurer for tax liability to be certified for collection in December. Each payment equal to one-fourth of previous year's liability. These reports and payments are due from each company with an excise tax liability for the previous year in excess of $1,000.
All Utility Companies (R.C. 5727.38, 5727.39, 5727.40, 5727.41, 5727.42)	Third Monday in November	State Auditor's certification to Treasurer of State of amounts of tax charged for collection from each utility.
All Utility Companies (R.C. 5727.45)	Fourth Monday in December	(Or by 20th day following Treasurer's mailing of notification, whichever date is later.) Final payment equal to total tax certified for collection for the current year, less advance payments made.

DISPOSITION OF REVENUE (R.C. 5727.45, 5727.82):

All to state General Revenue Fund.

OHIO REVISED CODE CITATIONS:

Chapter 5727.

RECENT LEGISLATION:

Am. S.B. 448, effective December 19, 1980.

SECTION 14:

- - Changed amount of advance payments for 1981 and 1982. Companies which previously made advance payments equal to one-third of the previous year's liability in January, March, and June, were required to pay 42% of the 1980 liability for each of the payments made in 1981. Each of the advance payments made in 1982 were to equal 25% of the companies' 1981 liability.

- -Temporarily increased rates for all utilities, except freight line and equipment companies, by 1% for the tax certified in 1981.

Table 56

PUBLIC UTILITY EXCISE TAXES LEVIED, BY CLASS OF UTILITY,
CALENDAR YEARS 1976 - 1980(a)

Class of Utility	Tax Rate	1976	1977	1978	1979	1980
Electric Light	4.00%	$104,764,768	$115,585,433	$138,561,360	$156,885,163	$171,879,305
Telephone	4.00	42,570,702	54,717,379	60,521,875	65,216,141	68,740,014
Natural Gas	4.00	42,494,491	53,026,511	61,889,593	69,322,507	82,510,453
Railroad	4.50	4,203,537	6,037,297	11,064,413	7,217,212	7,430,346
Rural Electric Light	4.00	3,477,041	4,108,685	4,860,322	5,847,357	6,303,531
Freight Line & Equipment	3.50	1,352,546	1,677,074	1,658,570	1,914,282	2,180,208
Water Works	4.00	573,749	632,310	793,316	787,315	832,032
Pipe Line	6.00	286,774	293,481	313,264	352,675	426,396
Telegraph	4.00	96,495	112,340	81,058	84,014	90,057
Artificial Gas	4.00	38,732	45,958	- -	- -	- -
Water Transportation	4.00	28,841	33,016	33,874	43,855	47,694
Union Depot	4.00	24,210	30,589	36,061	48,075	51,277
Toll Bridge	4.00	20,798	24,277	23,650	23,818	24,235
Interurban Railroad	1.70	10	10	- -	- -	- -
Total		$199,932,694	$236,324,360	$279,837,356	$307,742,414	$340,515,548

(a) Amount of tax certified for collection in full on or before the fourth Monday of December.

Table 57

AMOUNTS AND PERCENTAGE DISTRIBUTION OF PUBLIC UTILITY EXCISE TAXES, BY PRINCIPAL UTILITY CLASSES, CALENDAR YEARS 1976 - 1980

Utility Class	1976		1977		1978		1979		1980	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Electric	$108,241,809	54.14%	$119,694,118	50.65%	$143,421,682	51.25%	$162,732,520	52.88%	$178,182,836	52.33%
Gas	42,533,223	21.28	53,072,469	22.46	61,889,593	22.12	69,322,507	22.53	82,510,453	24.23
Telephone	42,570,702	21.29	54,717,379	23.15	60,521,875	21.63	65,216,141	21.19	68,740,014	20.19
Total	$193,345,734	96.71%	$227,483,966	96.26%	$265,833,150	95.00%	$297,271,168	96.60%	$329,433,303	96.75%
All Other	6,586,960	3.29	8,840,394	3.74	14,004,206	5.00	10,471,246	3.40	11,082,245	3.25
Grand Total	$199,932,694	100.00%	$236,324,360	100.00%	$279,837,356	100.00%	$307,742,414	100.00%	$340,515,548	100.00%

Table 58

AGGREGATE AMOUNTS OF CHARTER CITY DEDUCTION ALLOWED IN CALCULATING PUBLIC UTILITY EXCISE TAXES,(a) BY PRINCIPAL UTILITY CLASSES, CALENDAR YEARS 1976 - 1980(b)

Utility Class	1976		1977		1978		1979		1980	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Electric	$3,570,080	48.75%	$4,056,730	46.11%	$4,588,290	47.37%	$ 4,663,345	46.61%	$ 5,190,236	45.60%
Telephone	2,254,213	30.78	2,929,070	33.29	2,836,833	29.28	3,028,916	30.27	3,299,539	28.99
Natural Gas	1,300,098	17.75	1,652,920	18.79	1,976,911	20.41	2,009,646	20.08	2,605,808	22.89
Total	$7,124,391	97.28%	$8,638,720	98.19%	$9,402,034	97.06%	$ 9,701,907	96.96%	$11,095,583	97.48%
Railroads	173,491	2.37	146,340	1.66	260,864	2.69	289,301	2.89	269,052	2.36
All Other	25,730	.35	13,581	.15	23,919	.25	14,915	.15	17,856	.16
Grand Total	$7,323,612	100.00%	$8,798,641	100.00%	$9,686,817	100.00%	$10,006,123	100.00%	$11,382,491	100.00%

(a) Amounts deducted pursuant to statutory formula in calculating the excise tax liability of utilities operating in cities which have municipal charters establishing a property tax limitation which is higher than 10 mills.

(b) Amounts represent deduction made in calculating tax liability for payment in full as of the December deadline.

PUBLIC UTILITY PROPERTY TAX

Additional data for public utility property taxes may be found in the REAL PROPERTY TAX section.

The assessed valuation of public utility real and personal property was about $8.7 billion in calendar year 1980, which was an increase of about 4.7% over the previous year. This figure represents the value of all taxable public utility property except intangible property which is subject to the same statewide tax rates as all other intangible property. The tax rates applied to the real and tangible personal property of public utilities are determined locally. All of the property of public utilities is assessed by the Tax Commissioner, although the county auditors have been appointed as agents of the Tax Commissioner for the valuation of public utility real property. Public utility real property is assessed at 35% of true value, while public utility personal property is generally assessed at 100% of true value. The tangible personal property of railroads is assessed at the same percentage of true value as the tangible property (except inventories) of all other businesses (40% in 1981).

About 53% of the total public utility valuation in 1980 was derived from the property of electric utilities, while the electric and telephone industries combined accounted for 83% of the total. The total valuation of railroads has fallen each of the last seven years. The percentage of the total public utility value accounted for by railroads has fallen from over 9% in 1973 to 4.8% in 1980.

The taxable value of public utilities is primarily made up of personal property. For all utilities combined, the value of personal property accounted for about 93% of the total property valuation. However, this percentage varied greatly depending on the industry under consideration. About 98% of the total valuation for the natural gas and pipeline industries was derived from personal property, while none of the union depot valuation was personal property.

TAX BASE (R.C. 5715.01, 5727.01, 5727.06, 5727.07, 5727.10, 5727.12, 5727.30):

Property tax base consists of real and personal property owned or operated on December 31 of the preceding year by companies classified by statute as public utilities. Real property includes land and improvements and is assessed at 35% of true value. Personal property base includes all plant and equipment not classified as real property or intangible property. The tangible personal property of public utilities is generally assessed at 100% of true value. The two exceptions to this 100% assessment level are (1) the tangible personal property of rural electric companies which is assessed at 50% of true value; and (2) the tangible personal property of railroads which is assessed at the same percentage as applied to all tangible property (except inventories) used in business by a non-utility (for 1981, the assessment level is 40%).

The Tax Commissioner also values and assesses the intangible personal property of public utilities. However, since public utilities are subject to the intangible property tax in the same manner as all other taxpayers, this section does not consider the intangible property taxes of public utilities. For additional information, see the **INTANGIBLE PROPERTY TAX** section.

APPORTIONMENT OF TAX BASE (R.C. 5727.13, 5727.14, 5727.15, 5727.21, 5727.22 and Tax Commissioner Bulletin 130):

All public utilities, except railroads, are valued for taxation as a statewide unit. (Railroads are valued as a nationwide unit with the Ohio value apportioned to the state on the basis of the length of road in the state). The Tax Commissioner then distributes the statewide taxable values to the taxing districts in which the utilities operate. Real property values are distributed to the taxing districts in which the property is physically located except for railroad real property which is distributed on the basis of relative value. Personal property values are apportioned (using a specific base) among the taxing districts in which the utilities operate. The bases for distributing personal property values among taxing districts for the various classes of utilities are shown in the following table.

APPORTIONMENT OF TAX BASE (cont'd):

Class of Utility	Distribution Base
Electric Light and Rural Electric Companies	Value of overhead and underground lines.
Artificial Gas, Natural Gas, Pipeline, Heating, Cooling, and Water Works	Value of pipeline.
Telephone and Telegraph Companies	Miles of wire.
Railroads	Miles of track and trackage rights weighted by use.
Express Companies	Gross receipts.

Actual location of property is used to distribute values for water transportation and toll bridge utility classes.

RATES (R.C. 319.301, 5705.02, 5705.03, 5705.04, 5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located or to which it is apportioned (e.g., county, township, municipal corporation, and school district). Although the nominal tax rates applied to public utility real and personal property are the same, the effective rates on the two types of property may differ substantially because of the effects of the tax reduction factor applied to real property taxes. Public utility real property taxes (in addition to other real property taxes) are reduced by a computed reduction factor whenever real property values increase. However, this reduction factor does not apply to taxes levied on public utility personal property. State law also requires that all non-residential real property tax bills (but not personal property tax bills) be reduced by 10% -- with the cost of the reduction reimbursed from state funds.

EXEMPTIONS AND CREDITS (R.C. 319.301, 5709.25, 5727.05, 5727.11, 5727.30, 6111.31):

1. Property of municipally-owned utilities.
2. Certified air, water, and noise pollution control facilities.
3. Licensed motor vehicles.
4. Personal property under construction.
5. Real property tax bills are reduced by 10% as provided by state law.

REPORTING, CERTIFICATION, AND PAYMENT DATES:

Utility Class	Deadline	For
All Public Utilities (R.C. 5727.08, 5727.17, 5727.18 and 5727.48)	March 1[(a)]	Company's annual statement to Tax Commissioner on utility's plant and property within state.
All Utilities other than Express, Telephone, and Telegraph (R.C. 5727.10)	First Monday in September	Tax Commissioner assesses property.
Express, Telephone, and Telegraph Companies (R.C. 5727.19)	First Monday in July	Tax Commissioner assesses property.

REPORTING, CERTIFICATION, AND PAYMENT DATES (cont'd):

Utility Class	Deadline	For
All Public Utilities (R.C. 5727.23)	First Monday in October	Tax Commissioner certifies apportionment of property values to county auditors.
All Public Utilities (R.C. 323.12 & 323.17)	December 31st(b)	At least half of total tax liability due.
All Public Utilities (R.C. 323.12 & 323.17)	June 20th(b)	Balance of tax liability due.

(a) Tax Commissioner may grant extension of up to 60 days.

(b) Extensions of 30 days may be granted by county commissioners; further extensions may be granted by application of county auditor or treasurer to Department of Tax Equalization.

DISPOSITION OF REVENUE (R.C. 319.54, 5719.05):

After local administrative deductions, revenue is distributed by county treasurers to counties, municipalities, townships, school districts, and special districts according to the taxable values and total millage levied by each.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5705, 5709, 5715, 5719, 5727, 6111.

ADMINISTRATION (R.C. 5727.06, 5727.47, 5727.50):

The Tax Commissioner is required to value and assess all real and personal property of public utilities. Each county auditor is appointed as agent of the Tax Commissioner for purposes of valuing the real property of public utilities. The Tax Commissioner also has sole authority to grant refunds, perform audits, and hear complaints on public utility valuations.

Table 59

ASSESSED VALUE OF PUBLIC UTILITY REAL AND PERSONAL PROPERTY, BY CLASS OF UTILITY, CALENDAR YEARS 1976 - 1980

Class of Utility	Calendar Year 1976	1977	1978	1979	1980
Electric Light	$3,572,086,050	$3,730,327,020	$3,961,683,730	$4,266,987,370	$4,443,884,470
Telephone	2,030,384,000	2,129,762,590	2,257,369,260	2,428,244,270	2,605,280,450
Natural Gas	496,506,840	501,291,800	510,385,360	528,958,780	547,361,070
Railroad	490,425,400	473,923,530	452,724,940	436,343,610	419,621,170
Pipeline	410,373,490	399,590,490	427,945,550	432,812,930	451,740,400
Rural Electric Light	72,699,970	80,028,200	135,733,800	143,642,620	150,145,900
Waterworks	37,677,460	37,879,940	40,299,970	42,784,180	46,262,610
Union Depot	10,327,010	9,507,680	9,206,540	3,430,000	5,777,500
Telegraph	1,366,200	1,321,090	1,198,760	1,200,000	1,835,500
Other(a)	909,210	913,400	913,400	1,017,700	926,900
Total	$7,122,755,630	$7,364,545,740	$7,797,461,310	$8,285,421,460	$8,672,835,970

(a) Includes Artificial Gas, Water Transportation, and Toll Bridge.

SOURCE: Ohio Department of Taxation; values may differ slightly from those reported on abstracts filed by County Auditors with the Ohio Department of Tax Equalization.

Table 60

ASSESSED VALUE OF PUBLIC UTILITY REAL AND PERSONAL PROPERTY, BY CLASS OF UTILITY, CALENDAR YEAR 1980

	Assessed Value of Real Property	Assessed Value of Personal Property	Total Assessed Value
Electric Light	$364,916,640	$4,078,967,830	$4,443,884,470
Telephone	150,340,280	2,454,940,170	2,605,280,450
Natural Gas	11,970,600	535,390,470	547,361,070
Pipeline	9,781,170	441,959,230	451,740,400
Railroad	75,981,610	343,639,560	419,621,170
Rural Electric Light	19,811,820	130,334,080	150,145,900
Waterworks	5,407,720	40,854,890	46,262,610
Union Depot	5,777,500	- -	5,777,500
Telegraph	149,000	1,686,500	1,835,500
Water Transportation	224,020	424,380	648,400
Toll Bridge	245,730	32,770	278,500
Total	$644,606,090	$8,028,229,880	$8,672,835,970

SOURCE: Ohio Department of Taxation; values may differ slightly from those reported on abstracts filed by County Auditors with the Ohio Department of Tax Equalization.

Table 61

ASSESSED VALUE OF PUBLIC UTILITY REAL AND PERSONAL PROPERTY, BY COUNTY, CALENDAR YEAR 1980

County	Assessed Value Of Public Utility Real Property	Assessed Value Of Public Utility Personal Property	Total Assessed Value Of Public Utility Property
Adams	$ 12,075,290	$ 165,451,340	$ 177,526,630
Allen	4,055,200	78,212,350	82,267,550
Ashland	764,070	39,930,860	40,694,930
Ashtabula	11,409,860	99,544,150	110,954,010
Athens	4,566,940	64,050,810	68,617,750
Auglaize	699,130	21,916,810	22,615,940
Belmont	11,136,620	82,939,220	94,075,840
Brown	651,230	25,813,990	26,465,220
Butler	6,315,170	136,901,940	143,217,110
Carroll	1,211,770	29,216,920	30,428,690
Champaign	571,050	18,033,710	18,604,760
Clark	2,979,060	78,173,410	81,152,470
Clermont	21,381,120	140,474,930	161,856,050
Clinton	1,018,360	23,770,400	24,788,760
Columbiana	1,520,760	76,686,290	78,207,050
Coshocton	10,255,140	160,133,790	170,388,930
Crawford	1,307,950	27,958,480	29,266,430
Cuyahoga	65,080,660	816,908,410	881,989,070
Darke	836,280	27,319,180	28,155,460
Defiance	1,370,210	38,611,410	39,981,620
Delaware	1,729,280	48,747,060	50,476,340
Erie	9,154,400	58,937,250	68,091,650
Fairfield	1,451,870	56,342,330	57,794,200
Fayette	753,870	23,065,440	23,819,310
Franklin	44,891,610	484,788,070	529,679,680
Fulton	1,056,420	36,950,070	38,006,490
Gallia	30,937,050	270,152,710	301,089,760
Geauga	1,099,980	48,716,990	49,816,970
Greene	2,312,300	78,663,420	80,975,720
Guernsey	2,140,430	38,522,970	40,663,400
Hamilton	57,553,740	579,765,660	637,319,400
Hancock	4,285,180	47,976,030	52,261,210
Hardin	685,660	20,847,980	21,533,640
Harrison	1,038,170	25,700,240	26,738,410
Henry	829,810	21,521,720	22,351,530
Highland	586,400	20,036,760	20,623,160
Hocking	250,950	28,291,310	28,542,260
Holmes	542,590	19,738,050	20,280,640
Huron	3,808,000	34,954,890	38,762,890
Jackson	900,720	32,697,470	33,598,190
Jefferson	50,992,820	301,443,940	352,436,760
Knox	893,590	35,518,770	36,412,360
Lake	29,452,150	181,359,570	210,811,720
Lawrence	1,030,080	49,067,580	50,097,660
Licking	5,088,340	87,694,070	92,782,410
Logan	$ 713,740	$ 29,675,320	$ 30,389,060
Lorain	27,857,770	235,436,470	263,294,240
Lucas	39,828,370	301,193,500	341,021,870
Madison	731,860	28,015,200	28,747,060
Mahoning	9,765,950	151,842,580	161,608,530
Marion	4,225,880	44,161,800	48,387,680
Medina	3,287,850	69,298,150	72,586,000
Meigs	685,830	24,050,310	24,736,140
Mercer	747,740	16,600,620	17,348,360
Miami	1,166,530	49,626,670	50,793,200
Monroe	294,350	26,291,920	26,586,270
Montgomery	27,729,440	349,418,190	377,147,630
Morgan	8,637,570	74,271,980	82,909,550
Morrow	243,520	18,347,590	18,591,110
Muskingum	5,614,470	66,810,180	72,424,650
Noble	3,509,680	17,800,280	21,309,960
Ottawa	16,380,070	147,041,290	163,421,360
Paulding	1,041,540	16,968,850	18,010,390
Perry	742,530	21,068,760	21,811,290
Pickaway	4,097,350	47,292,110	51,389,460
Pike	1,006,430	27,143,460	28,149,890
Portage	2,296,310	80,667,420	82,963,730
Preble	455,670	21,570,680	22,026,350
Putnam	1,103,780	19,793,740	20,897,520
Richland	4,503,420	80,749,300	85,252,720
Ross	2,637,220	39,998,160	42,635,380
Sandusky	2,007,980	47,704,880	49,712,860
Scioto	3,011,250	64,035,760	67,047,010
Seneca	2,106,080	38,649,320	40,755,400
Shelby	930,330	30,733,480	31,663,810
Stark	9,902,160	205,036,700	214,938,860
Summit	14,309,200	256,388,840	270,698,040
Trumbull	10,503,710	134,900,620	145,404,330
Tuscarawas	2,780,840	60,684,210	63,465,050
Union	622,010	44,565,640	45,187,650
Van Wert	938,360	21,034,130	21,972,490
Vinton	413,400	18,609,780	19,023,180
Warren	1,742,740	64,851,180	66,593,920
Washington	6,297,060	68,817,990	75,115,050
Wayne	1,600,870	55,708,340	57,309,210
Williams	1,874,860	29,042,240	30,917,100
Wood	3,029,950	83,241,740	86,271,690
Wyandot	559,140	15,546,810	16,105,950
Total	$644,606,090	$8,028,234,940	$8,672,841,030

SOURCE: Ohio Department of Taxation; values may differ slightly from those reported on abstracts filed by county auditors with the Ohio Department of Tax Equalization.

ESTATE TAX

The basic Ohio estate tax is levied against the value of a resident decedent's gross estate less deductions and exemptions. Graduated rates range through six taxable estate brackets from 2% on taxable values of under $40,000 to $23,600 plus 7% on that portion of taxable value which exceeds $500,000. Gross estates of more than $100,000 are also subject to an "additional" tax which is levied solely to ensure full benefit to Ohio of credits the federal government allows taxpayers against federal estate tax liability for their payment of state death taxes. Ohio's "additional" tax rates derive directly from the federal tax credit schedule and range through 20 brackets from 0.8% to 16%. Ohio also taxes non-resident estates on property values attributable to Ohio.

Basic resident estate taxes accounted for $92,552,340 in taxes paid on estates on which audits were completed during fiscal year 1981 while the "additional" tax accounted for another $8,770,934. This combined $101.3 million total includes interest payments received and also reflects subtraction of refunds and of interest paid to taxpayers on taxes overpaid and refunded. Statistics on taxes attributable to non-resident and amended returns are not presently available.

Data on gross and net estate valuations and on taxes assessed and paid are shown, for the resident estate tax only, in Tables 62 through 67. These statistics are presented for the 88 counties of Ohio, by counties of probate, in Table 67. They are arranged according to selected gross values and according to net taxable (tax rate) brackets in Tables 62 through 65, and, in Table 66, according to amounts of tax generated. The number of taxable estates subject to the basic resident tax was 30,479 in 1981, the highest number since 1977 when 30,266 estates accounted for approximately $64 million in taxes (as compared with the $92.6 million in 1981).

Fifteen of the 88 counties handled estates during 1981 yielding more than a million dollars each in basic resident estate taxes assessed and paid. Amounts paid ranged from just over $1 million in Darke county to $15.7 million in Cuyahoga, while total aggregate taxes for the 15 counties comprised approximately $60 million (65%) of the statewide total. Statewide, the average tax paid on each of the 30,479 estates finalized was $3,037. Countywide average taxes ranged from $1,131 for 222 estates in Scioto county to $6,189 for 118 estates in Clinton county.

"Additional" taxes derived from the federal credit were due and payable in only 23 of Ohio's 88 counties. These amounted to $8.8 million on 52 estates, including $6.3 million collected from 12 estates on which no basic Ohio estate tax was paid. Total federal credits allowed for state taxes paid on the 52 estates which generated additional tax revenues for Ohio amounted to $12.4 million, the derivative additional tax liability being represented as follows:

Federal Credits Allowed for State Taxes Paid	$12.4 million
Less Basic Ohio Estate Taxes Paid	- 3.3 million
Less Basic "Death" Taxes Paid to Other States	- .4 million
Additional Tax Due and Paid to Ohio	$ 8.8 million

Effective mid-way through fiscal year 1982, with respect to the estates of persons dying on and after January 1, 1982, will be the first significant change in estate tax exemptions since 1975 when a $20,000 exemption for the surviving spouse was increased to $30,000. Legislation enacted by the 114th General Assembly provides for an increase in the spouse exemption to $60,000 and for comparable doubling of all other allowable exemptions -- to $10,000 for the general estate exemption, and to $6,000 and $14,000, respectively, for adult and minor child exemptions, previously unchanged since the estate tax was first adopted in 1968, except for a reduction in the "adult" child age level from 21 to 18 in 1974.

Data compiled from 30,333 original returns of taxable estates finalized during fiscal 1981, with exemptions at statutory levels prevailing prior to this new enactment, show that debts and expenses and the exemption claimed for the surviving spouse together accounted for two-thirds of all amounts claimed for deduction or exemption, the remaining third being attributed to the general $5,000 exemption, charitable deductions, and exemptions for surviving adult and minor children as follows:

Exemption or Deduction	Number of Estates Making Claims	Aggregate Claims		Average Claim
		Amount	Percent	
Spouse	10,625	$ 305,578,008	28.79%	$28,760
Adult Child	14,594	99,047,409	9.33	6,787
Minor Child	623	6,194,878	.58	9,944
Charitable	3,332	106,916,557	10.07	45,848
Debts and Expenses	30,251	391,569,203	36.90	12,944
Sub-Total		**$ 909,306,055**	**85.68%**	
General Exemption		151,919,490	14.32	
TOTAL		**$1,061,225,545**	**100.00%**	**34,986**

Resident Estate Tax (R.C. 5731)

TAX BASE:

The "taxable estate", i.e., value of a decedent's gross estate, less deductions and exemptions (R.C. 5731.14-.17, inclusive). In general, the gross estate equals the aggregate market value, at time of death, of all property held by the decedent, except real and tangible personal property sitused outside of Ohio and, effective for estates of persons dying on or after January 1, 1982, except for "qualified farm property" which may be valued according to its "actual qualified use" (R.C. 5731.01, 5731.011, 5731.03-.13, inclusive).

RATES:

Rates are generated through these six "taxable estate" brackets (R.C. 5731.02):

Taxable Estates of	Tax Rate Imposed
Not over $40,000	2% of taxable estate
Over $ 40,000 but not over $100,000	$ 800 + 3% of excess over $ 40,000
Over $100,000 but not over $200,000	$ 2,600 + 4% of excess over $100,000
Over $200,000 but not over $300,000	$ 6,600 + 5% of excess over $200,000
Over $300,000 but not over $500,000	$11,600 + 6% of excess over $300,000
Over $500,000	$23,600 + 7% of excess over $500,000

EXEMPTIONS AND DEDUCTIONS:

Exemptions and deductions allowed against gross estate in determining amount of taxable estate:

Exemptions --

General: $5,000 for decedents dying prior to January 1, 1982; $10,000 for decedents dying on or after that date.

Family: Based upon property actually passing to spouse or children and including a "family" allowance of $5,000 allowed for support to a surviving spouse or, if there is no spouse, to minor children:

1. Up to $30,000 if there is a surviving spouse, or the amount so passing, whichever is lower; up to $60,000 in case of decedents dying on or after January 1, 1982.
2. Up to a maximum of $7,000 for each surviving child under 18 years of age; up to $14,000 in case of decedents dying on or after January 1, 1982.
3. Up to a maximum of $3,000 for each surviving child 18 years of age or older; up to $6,000 in case of decedents dying on or after January 1, 1982.

EXEMPTIONS AND DEDUCTIONS (cont'd):

Deductions (Examples) --

- Funeral expenses and costs of administering the estate;
- Outstanding and unpaid claims against the estate at time of decedent's death;
- Unpaid mortgage or other indebtedness against property where total value is included within the gross estate valuation;
- Property previously taxed transferred to decedent by another who dies within three years before or one year after decedent; and
- Subject to statutory conditions regarding purpose, usage, private benefit, etc., bequests and transfers to or for use of:

    1. The U.S. Government or other governmental unit(s) in the United States;
    2. Corporations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes;
    3. Fraternal and veterans organizations.

TAXPAYER:

Administrator, executor, other estate representative, or person in possession of the property subject to tax.

ESTATE VALUATION, TAX RETURN, AND TAX PAYMENT DEADLINES:

In general, as follows:

Gross Valuation -- Preliminary notice of such value to be filed within 60 days of administrator's appointment or within 120 days of decedent's death. (R.C. 5731.20)

Tax Return -- To be filed within 9 months of decedent's death, in general with probate court of county in which estate is administered. (R.C. 5731.21)

Tax Payment -- Due within 9 months of decedent's death, to treasurer of county in which decedent resided. (R.C. 5731.23)

Additional Estate Tax (R.C. 5731.18)

TAXABLE ESTATE:

The decedent's "adjusted taxable estate," as determined by the Commissioner of Internal Revenue -- i.e., the federal taxable estate (as determined pursuant to the Internal Revenue Code of 1954, as amended) less $60,000. In effect, this is an estate of over $100,000 since no state death tax credit is allowed on the first $40,000 of the adjusted taxable estate.

TAX BASE AND RATES:

Rates are graduated through 20 brackets, in part as follows:

TAX BASE AND RATES (cont'd):

Adjusted Taxable Estates of	Tax Rate Imposed
Less than $40,000	- 0 -
$ 40,000 or more but less than $ 90,000	0.8% of excess over $ 40,000
$ 90,000 or more but less than $ 140,000	$ 400 + 1.6% of excess over $ 90,000
$ 140,000 or more but less than $ 240,000	$ 1,200 + 2.4% of excess over $ 140,000

[For graduated rates of intervening brackets, see R.C. 5731.18.]

$ 9,040,000 or more but less than $10,040,000	$ 930,800 + 15.2% of excess over $ 9,040,000
$10,040,000 or more	$1,082,800 + 16.0% of excess over $10,040,000

CREDITS ALLOWED AGAINST TAX DUE:

Amount of tax levied pursuant to the basic Ohio estate tax (R.C. 5731.02) and any estate, legacy, or succession taxes actually paid to any U.S. state or territory or the District of Columbia on any property included within the gross estate.

Non-Resident Estate Tax and Additional Tax (R.C. 5731.19)

ESTATE SUBJECT TO TAX:

That portion of a non-resident decedent's estate which is attributable to Ohio (i.e., in general, real property and tangible personalty located or having a situs in Ohio, and intangible personal property used in business within Ohio unless exempt pursuant to R.C. 5731.34). (R.C. 5731.19)

TAX RATES AND TAX CALCULATION FORMULA:

Tax is determined (for both non-resident estate and non-resident additional taxes) by (1) calculating tax which would be due from the estate, at rates applicable to resident estates, if decedent had died a resident of Ohio with all of his property situated or located in Ohio, and (2) multiplying the resultant amount by a fraction representing the ratio of gross estate value attributable to Ohio to gross estate value wherever situated.

Resident and Non-Resident Estate Taxes and Additional Taxes

DISPOSITION OF REVENUE (R.C. 5731.48-5731.51):

Fifty percent of gross taxes levied and paid, to municipal corporation or township in which tax originates. (In general, for revenue distribution purposes, tax on the transfer of real and tangible personal property located within Ohio originates in the municipal corporation(s) or township(s) in which such property is physically located. In the case of a resident decedent's intangibles or tangible personalty located outside of Ohio, domicile of the decedent is determinative; in the case of intangibles of a non-resident decedent, origin is derived from Ohio domicile, location or place of business or custody of the person, bank, institution, or other entity having such property in possession or custody.)

Fifty percent, less costs of administration, to state General Revenue Fund.

OHIO REVISED CODE CITATIONS:

Chapter 5731; also R.C. 2117.20 (provision for family allowance).

RECENT LEGISLATION:

Am. S.B. 28, effective October 9, 1981.

R.C. Sections 5731.01, 5731.15, 5731.21, and 5731.37 amended and Section 5731.011 enacted to increase the general and family estate tax exemptions and to permit an alternate valuation of farm land for estate tax purposes, in the case of decedents dying on or after January 1, 1982.

Estate representatives were excused from filing returns if the value of the gross estate does not exceed $10,000 (previously $5,000), and all present exemptions were doubled in amount: the general estate tax exemption from $5,000 to $10,000, the surviving spouse exemption from $30,000 to $60,000, the exemption for an adult child (over 18) from $3,000 to $6,000, and the exemption for a minor child from $7,000 to $14,000.

Permission was authorized for valuation at current agricultural use (CAUV) instead of current fair market value (FMV) for property passing to qualifying family heirs and meeting requirements of this statute and of R.C. 5713.30(A) for "qualified farm property" and property devoted exclusively to agricultural use. Provision was made for estate taxes at FMV to be recovered if within four years from the date of decedent's death, property taxed at CAUV values should be transferred to a non-qualifying owner or should cease to be devoted to the qualifying use.

RECENT SIGNIFICANT COURT DECISIONS:

In Re Estate of Morgan (1981), 65 Ohio St. 2d. 101.

"Interest charged on unpaid Ohio estate tax is deductible from the value of decedent's gross estate as an administration expense."

In Re Estate of C. Robert Hughes, Cuyahoga County Court of Appeals No. 881,475; Ohio Supreme Court No. 80-1046 denied motion to certify the record, November 7, 1980.

The Legislature's attempt to incorporate by reference future Congressional amendments into the Ohio estate tax scheme amounts to an unconstitutional delegation of legislative authority. Therefore, changes wrought by the Tax Reform Act of 1976 (passed after R.C. 5731.09 was changed to conform to I.R.C. 2039 and any amendments or reenactments thereof) do not apply for Ohio estate tax purposes.

TABLE 62

DISTRIBUTION OF TAXABLE ESTATES, GROSS AND NET VALUES, AND ESTATE TAXES ASSESSED AND PAID, BY SELECTED GROSS VALUATION BRACKETS, FISCAL YEAR 1981[(a)]

(Resident Estate Tax Only)

Gross Value	Number Of Estates		Aggregate Gross Value		Aggregate Net Value		Aggregate Taxes Assessed[(b)]		Aggrregate Taxes Paid[(b)]	
	Number	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Under $100,000	21,413	70.25%	$1,065,979,680	30.21%	$ 554,701,458	22.41%	$12,067,540	13.12%	$12,150,129	13.13%
$100,000 to $250,000	6,464	21.21	985,572,824	27.93	732,083,229	29.58	21,040,622	22.89	21,138,307	22.84
$250,000 to $500,000	1,792	5.88	613,626,028	17.39	496,238,936	20.05	19,231,689	20.92	19,325,161	20.88
$500,000 to $1 Million	577	1.89	378,977,479	10.74	315,500,280	12.75	15,810,780	17.20	15,926,689	17.21
$1 Million to $3 Million	200	0.66	307,595,115	8.72	256,605,637	10.37	15,752,239	17.13	15,817,990	17.09
$3 Million to $5 Million	24	0.08	92,366,015	2.62	77,835,158	3.14	5,183,272	5.64	5,320,700	5.75
Over $5 Million	9	0.03	84,450,185	2.39	42,059,841	1.70	2,849,939	3.10	2,873,269	3.10
Total	30,479	100.00%	$3,528,567,326	100.00%	$2,475,024,538	100.00%	$91,936,082	100.00%	$92,552,245	100.00%

(a) Statistics are derived from returns on which audits were completed and final certificates of determination were issued during fiscal year 1981.
(b) All amounts of tax shown are after refunds. Amounts paid are also after addition of interest or after subtraction of interest paid by the state on tax refunds.

TABLE 63

DISTRIBUTION OF TAXABLE ESTATES, GROSS AND NET VALUES, AND ESTATE TAXES ASSESSED AND PAID, BY NET TAXABLE VALUE (TAX RATE) BRACKETS, FISCAL YEAR 1981[(a)]

(Resident Estate Tax Only)

Net Taxable Value	Number of Estates Generating Tax		Aggregate Gross Value		Aggregate Net Value		Aggregate Taxes Assessed[(b)]		Aggregate Taxes Paid[(b)]	
	Number	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Up to $40,000	16,514	54.18%	$ 709,623,924	20.11%	$ 271,325,503	10.96%	$ 5,529,679	6.01%	$ 5,579,456	6.03%
$40,000 to $100,000	7,717	25.32	721,121,060	20.44	492,733,881	19.91	11,766,270	12.80	11,828,844	12.78
$100,000 to $200,000	3,668	12.03	660,792,735	18.73	507,789,905	20.52	15,188,807	16.52	15,260,253	16.49
$200,000 to $300,000	1,164	3.82	345,514,144	9.79	282,836,587	11.43	10,182,693	11.08	10,235,845	11.06
$300,000 to $500,000	856	2.81	381,293,377	10.80	325,102,077	13.13	13,993,133	15.22	14,067,451	15.20
Over $500,000	560	1.84	710,222,086	20.13	595,236,585	24.05	35,275,499	38.37	35,580,396	38.44
Total	30,479	100.00%	$3,528,567,326	100.00%	$2,475,024,538	100.00%	$91,936,082	100.00%	$92,552,245	100.00%

(a) Statistics are derived from returns on which audits were completed and final certificates of determination were issued during fiscal year 1981.
(b) All amounts of tax shown are after refunds. Amounts paid are also after addition of interest or after subtracton of interest paid by the state on tax refunds.

Table 64

NUMBER OF RESIDENT ESTATES, AGGREGATE GROSS AND NET TAXABLE ESTATE VALUATIONS, AND AGGREGATE TAXES ASSESSED, BY SELECTED GROSS VALUE BRACKETS AND BY NET TAXABLE VALUE (TAX RATE) BRACKETS, FISCAL YEAR 1981[(a)]

(RESIDENT ESTATE TAX ONLY)

Gross Valuation	Net Taxable Value Brackets: Up to $40,000	$40,000 to $100,000	$100,000 to $200,000	$200,000 to $300,000	$300,000 to $500,000	Over $500,000	All Estates
Part I (Number of Estates)							
Under $100,000	16,296	5,117	- -	- -	- -	- -	21,413
$100,000 to $250,000	191	2,567	3,478	228	- -	- -	6,464
$250,000 to $500,000	21	25	170	916	660	- -	1,792
$500,000 to $1 Million	4	7	15	18	191	342	577
$1 Million to $3 Million	2	1	5	2	5	185	200
$3 Million to $5 Million	- -	- -	- -	- -	- -	24	24
Over $5 Million	- -	- -	- -	- -	- -	9	9
TOTAL	16,514	7,717	3,668	1,164	856	560	30,479
Part II (Gross Values)							
Under $100,000	$671,790,183	$394,189,498	- -	- -	- -	- -	$1,065,979,680
$100,000 to $250,000	25,962,160	313,432,793	$592,388,236	$ 53,789,635	- -	- -	985,572,824
$250,000 to $500,000	6,615,019	7,604,985	52,495,579	277,552,135	$269,358,310	- -	613,626,028
$500,000 to $1 Million	2,870,832	4,222,388	9,589,329	11,315,020	105,270,133	$245,709,777	378,977,479
$1 Million to $3 Million	2,385,730	1,671,396	6,319,591	2,857,354	6,664,934	287,696,110	307,595,115
$3 Million to $5 Million	- -	- -	- -	- -	- -	92,366,015	92,366,015
Over $5 Million	- -	- -	- -	- -	- -	84,450,185	84,450,185
TOTAL	$709,623,924	$721,121,060	$660,792,735	$345,514,144	$381,293,377	$710,222,086	$3,528,567,326
Part III (Net Value)							
Under $100,000	$266,459,169	$288,242,289	- -	- -	- -	- -	$ 554,701,458
$100,000 to $250,000	4,345,488	202,142,604	$477,261,721	$ 48,333,416	- -	- -	732,083,229
$250,000 to $500,000	392,806	1,797,413	27,652,080	229,266,667	$237,129,970	- -	496,238,936
$500,000 to $1 Million	84,843	496,575	2,181,109	4,678,012	85,968,657	$222,091,084	315,500,280
$1 Million to $3 Million	43,197	55,000	694,995	558,493	2,003,450	253,250,502	256,605,637
$3 Million to $5 Million	- -	- -	- -	- -	- -	77,835,158	77,835,158
Over $5 Million	- -	- -	- -	- -	- -	42,059,841	42,059,841
TOTAL	$271,325,503	$492,733,881	$507,789,905	$282,836,587	$325,102,077	$595,236,585	$2,475,024,538
Part IV (Taxes Assessed)							
Under $100,000	$ 5,426,320	$ 6,641,220	- -	- -	- -	- -	$ 12,067,540
$100,000 to $250,000	92,942	5,067,659	$ 14,238,120	$ 1,641,901	- -	- -	21,040,622
$250,000 to $500,000	7,856	44,043	863,643	8,346,054	$ 9,970,093	- -	19,231,689
$500,000 to $1 Million	1,697	12,097	66,244	173,613	3,934,834	$ 11,622,295	15,810,780
$1 Million to $3 Million	864	1,250	20,800	21,125	88,207	15,619,994	15,752,239
$3 Million to $5 Million	- -	- -	- -	- -	- -	5,183,272	5,183,272
Over $5 Million	- -	- -	- -	- -	- -	2,849,939	2,849,939
TOTAL	$ 5,529,679	$ 11,766,270	$ 15,188,807	$ 10,182,693	$ 13,993,133	$ 35,275,499	$ 91,936,082

(a) Statistics are derived from returns on which audits were completed and final certificates of determination were issued during fiscal 1981. All amounts of tax shown are after refunds.

Table 65

DISTRIBUTION OF ESTATES GENERATING ESTATE TAX AND OF TAX PAID AMONG ESTATES OVER AND UNDER $100,000 GROSS VALUE,[(a)]
FISCAL YEARS 1978-1981

	1 9 7 8				1 9 7 9				1 9 8 0				1 9 8 1			
	Number of Estates		Tax Paid (in millions)		Number Of Estates		Tax Paid (in millions)		Number Of Estates		Tax Paid (in millions)		Number of Estates		Tax Paid (in millions)	
Gross Value	Number	Percent	Amount	Percent	Number	Percent	Amount	Percent	Number	Percent	Amount	Percent	Number	Percent	Amount	Percent
Over $100,000	6,831	23.67%	$60.9	83.17%	7,555	26.46%	$66.5	85.81%	7,881	27.18%	$70.4	80.83%	9,066	29.75%	$80.4	86.87%
Under $100,000	22,030	76.33%	$12.3	16.83%	20,995	73.54%	$11.0	14.19%	21,118	72.82%	$16.7	19.17%	21,413	70.25%	$12.2	13.13%
Total	28,861	100.00%	$73.2	100.00%	28,550	100.00%	$77.5	100.00%	28,999	100.00%	$87.1	100.00%	30,479	100.00%	$92.6	100.00%

(a) Amount of tax represents amount of tax paid, after interest and discount, and includes some supplemental assessments for years prior to 1979. Data for 1979 through 1981 is for resident estates only. For 1978, data includes non-resident estates and estates generating "additional" tax.

Table 66

ESTATES GENERATING TAX AND ESTATE TAXES ASSESSED, ACCORDING TO AMOUNTS OF TAX GENERATED,
FISCAL YEARS 1980 AND 1981
(Resident Estate Tax Only)

	Estates Generating Tax				Amount of Tax Assessed[(a)]			
	Fiscal Year 1980		Fiscal Year 1981		Fiscal Year 1980		Fiscal Year 1981	
Amounts of Tax Generated	Number	Percent	Number	Percent	Amount	Percent	Amount	Percent
Less than $ 10,000	27,635	95.30%	28,774[(b)]	94.41%	$35,494,534	41.02%	$39,442,168[(c)]	42.90%
$10,000 to $ 25,000	873	3.01	1,182	3.88	13,256,497	15.32	18,085,943	19.67
$25,000 to $ 50,000	276	0.95	303	0.99	9,632,363	11.13	10,407,479	11.32
$50,000 to $ 75,000	107	0.37	96	0.31	6,360,148	7.35	5,747,396	6.25
$75,000 to $100,000	36	0.12	45	0.15	3,149,986	3.64	3,824,710	4.16
Over $100,000	72	0.25	79	0.26	18,640,509	21.54	14,428,387	15.70
Total	28,999	100.00%	30,479	100.00%	$86,534,037	100.00%	$91,936,082	100.00%

(a) Amounts of tax assessed, before addition of interest or payment of interest on tax refunds.

(b) Approximately 26 percent of these estates (7,365) had gross values in excess of $100,000 and represent taxable values of up to $268,000 while 74 percent (21,409) represent gross and net values under $100,000.

(c) More than two-thirds of this amount ($27,452,811) is attributable to gross estates of more than $100,000.

Table 67

NUMBERS OF ESTATES, AGGREGATE GROSS AND NET TAXABLE VALUES, AMOUNTS OF TAX ASSESSED AND PAID, AND AVERAGE AMOUNTS OF TAX PAID PER ESTATE, BY COUNTY, FISCAL YEAR 1981[a]
(RESIDENT ESTATE TAX ONLY)

County	Number of Estates	Gross Estate	Net Taxable	Tax Due	Tax Paid[b]	Average Tax Paid
Total	30,479	$3,528,567,326	$2,475,024,538	$91,936,082	$92,552,340	$3,037
Adams	76	7,139,158	4,761,840	144,167	144,494	1,901
Allen	319	42,148,714	30,312,773	1,164,228	1,170,981	3,671
Ashland	177	17,146,387	11,409,689	330,222	334,789	1,891
Ashtabula	294	25,256,037	16,836,842	500,421	502,327	1,709
Athens	110	8,330,078	5,523,082	165,228	166,029	1,509
Auglaize	181	22,349,251	16,005,274	539,586	542,313	2,996
Belmont	322	25,689,173	16,661,322	538,560	544,386	1,691
Brown	104	10,150,997	6,683,139	192,078	193,170	1,857
Butler	670	74,802,535	53,904,873	1,954,594	1,960,975	2,927
Carroll	61	4,283,505	2,561,832	70,793	72,376	1,186
Champaign	96	15,954,107	11,005,398	416,405	416,538	4,339
Clark	403	39,540,777	26,977,659	912,848	916,168	2,273
Cleront	221	27,200,803	19,715,676	793,635	796,508	3,604
Clinton	118	20,706,586	16,268,313	729,826	730,309	6,189
Columbiana	320	25,522,463	16,456,525	480,934	483,288	1,510
Coshocton	129	10,420,903	7,102,541	219,714	220,593	1,710
Crawford	218	25,599,686	17,737,258	576,225	577,745	2,650
Cuyahoga	4,448	571,110,545	390,964,538	15,576,690	15,701,590	3,530
Darke	247	37,397,479	27,745,298	1,032,956	1,043,519	4,225
Defiance	142	14,316,215	9,852,145	321,016	322,189	2,269
Delaware	200	28,583,018	20,853,471	777,747	781,512	3,908
Erie	287	35,045,187	24,795,039	931,626	935,136	3,258
Fairfield	237	26,981,024	18,893,719	668,675	670,639	2,830
Fayette	111	20,928,444	15,654,593	673,175	677,293	6,102

Table 67 (cont'd)

County	Number of Estates	Gross Estate	Net Taxable	Tax Due	Tax Paid(b)	Average Tax Paid
Franklin	2,003	$ 222,365,249	$ 154,458,465	$ 5,471,708	$ 5,499,969	$2,746
Fulton	143	20,124,286	14,412,846	488,496	492,037	3,441
Gallia	66	5,004,592	3,056,924	83,102	83,290	1,262
Geauga	179	20,552,066	14,337,524	551,077	551,668	3,082
Greene	291	33,304,676	23,691,888	808,379	812,975	2,794
Guernsey	130	12,509,276	8,810,689	317,067	325,888	2,507
Hamilton	2,572	365,051210	271,355,894	11,348,594	11,400,230	4,432
Hancock	251	32,951,507	24,183,444	835,704	838,096	3,339
Hardin	93	13,396,660	10,160,926	350,282	350,483	3,769
Harrison	58	4,191,990	2,649,894	70,394	70,638	1,218
Henry	141	27,021,533	20,755,352	821,050	826,074	5,859
Highland	129	15,997,057	12,174,596	462,079	464,899	3,604
Hocking	65	6,765,738	4,709,232	210,679	210,928	3,245
Holmes	62	5,513,263	3,705,112	102,137	102,539	1,654
Huron	180	17,507,047	12,078,264	362,025	362,607	2,014
Jackson	81	8,342,872	5,730,711	183,512	188,164	2,323
Jefferson	236	20,237,953	13,485,474	438,096	439,293	1,861
Knox	179	20,394,459	14,549,496	511,084	512,443	2,863
Lake	449	51,930,461	35,825,205	1,400,890	1,408,355	3,137
Lawrence	81	4,829,316	2,390,476	59,287	59,498	735
Licking	361	36,439,012	25,294,992	853,437	856,582	2,373
Logan	146	16,873,642	11,888,541	415,368	419,774	2,875
Lorain	584	60,177,064	41,983,587	1,553,538	1,560,150	2,671
Lucas	1,477	145,851,573	98,474,846	3,377,894	3,400,994	2,303
Madison	91	16,387,928	10,867,967	409,709	415,544	4,566
Mahoning	760	81,402,594	57,972,942	2,258,373	2,270,581	2,988
Marion	227	28,474,034	19,849,307	713,551	714,016	3,145
Medina	214	20,027,595	12,751,917	374,715	377,605	1,765

Table 67 (cont'd)

County	Number of Estates	Gross Estate	Net Taxable	Tax Due	Tax Paid(b)	Average Tax Paid
Meigs	57	$ 5,019,893	$ 3,674,039	$ 126,795	$ 127,222	$2,232
Mercer	166	21,604,278	15,401,045	527,480	530,325	3,195
Miami	322	37,815,890	27,118,527	983,262	985,602	3,061
Monroe	29	1,851,836	1,264,116	38,325	38,529	1,329
Montgomery	1,419	158,034,976	111,494,802	4,262,607	4,365,200	3,076
Morgan	54	6,491,315	4,542,518	192,032	193,548	3,584
Morrow	83	8,223,989	5,561,443	172,415	172,519	2,079
Muskingum	239	21,671,746	13,798,065	433,571	441,535	1,847
Noble	31	2,597,125	1,518,019	37,538	37,730	1,217
Ottawa	171	16,781,979	11,460,263	345,576	348,364	2,037
Paulding	80	16,609,260	12,466,012	605,200	606,453	7,581
Perry	64	5,947,373	3,688,648	117,703	117,810	1,841
Pickaway	134	20,279,194	15,385,590	584,894	590,319	4,405
Pike	59	5,023,162	3,135,978	95,356	95,739	1,623
Portage	226	30,336,106	19,724,725	872,366	875,447	3,874
Preble	125	12,636,749	8,714,630	295,493	295,799	2,366
Putnam	122	19,518,272	14,714,441	542,143	544,591	4,464
Richland	371	39,149,331	27,497,667	935,016	939,888	2,533
Ross	214	24,575,118	17,680,208	675,838	685,665	3,204
Sandusky	205	23,208,168	16,093,426	548,677	553,993	2,702
Scioto	222	16,642,143	9,464,687	250,149	251,142	1,131
Seneca	214	24,976,172	17,508,211	586,693	590,178	2,758
Shelby	159	18,153,120	13,092,565	452,553	453,815	2,854
Stark	1,077	108,265,106	74,482,807	2,631,550	2,642,579	2,454
Summit	1,511	160,196,789	111,806,617	4,036,842	4,062,524	2,689
Trumbull	573	54,534,801	36,701,890	1,368,912	1,379,620	2,408
Tuscarawas	282	27,889,808	17,809,359	607,416	610,532	2,165
Union	113	12,589,351	8,748,623	274,741	277,523	2,456

Table 67 (cont'd)

County	Number of Estates	Gross Estate	Net Taxable	Tax Due	Tax Paid(b)	Average Tax Paid
Van Wert	132	$ 18,098,932	$ 13,548,040	$ 497,191	$ 499,200	$3,782
Vinton	27	1,978,087	1,392,030	40,759	41,008	1,519
Warren	174	19,314,269	12,827,448	425,315	427,435	2,457
Washington	179	15,015,147	9,892,032	286,095	286,590	1,601
Wayne	296	36,994,425	27,022,910	989,722	994,221	3,359
Williams	164	16,740,002	11,623,240	357,793	358,942	2,189
Wood	352	55,734,835	43,471,878	1,807,994	1,821,107	5,174
Wyandot	93	13,840,854	10,408,689	386,492	389,455	4,188

(a) Statistics are derived from returns on which audits were completed and final certificates of determination issued during fiscal 1981. All amounts of tax shown are after refunds.

(b) Amounts shown as tax paid reflect interest payments received and also reflect subtraction of interest paid by the state on refunds of tax overpayments.

NOTE: Data shown here represents the basic resident Ohio estate tax only. Tax paid in amount of $92,552,340 does not include $8,770,934 in "additional" tax paid on or amounts attributable to non-resident and amended returns. (Statistics on the latter are not presently available.)

STATE AND COUNTY LOCAL GOVERNMENT FUNDS

The tables in this section deal with certain state-imposed taxes which are collected by the state treasurer but are distributed to local governments for expenditure. Revenues from these taxes are commonly referred to as local government fund moneys. Ohio has in fact eighty-nine "local government" funds, one state fund, and eighty-eight county funds. These funds are closely interrelated in law and administrative practice, but by statute they are also sharply differentiated, both as to the revenues of which they are composed and the formulas under which they are distributed. In the language of the statutes, there is one state "local government fund". There are eighty-eight county "undivided local government funds".

STATE LOCAL GOVERNMENT FUND

The state local government fund presently consists of 3.5% of all collections from three state taxes: the state sales tax, personal income tax, and corporation franchise tax. One-twelfth of the combined total is distributed to municipal corporations which levy income taxes. The other eleven-twelfths of the fund is distributed to counties according to a 2-part formula based upon population and municipal property tax duplicates.

More specifically, each income-tax-levying city or village receives a percentage from the one-twelfth portion of the fund based upon its proportionate share of all municipal income taxes collected in the state during the second calendar year preceding the year of the fund's distribution. Each county in effect receives two shares from the eleven-twelfths portion of the fund, 25% of which is distributed according to the county's population as a percentage of the entire state's population in the last federal census, and 75% of which is distributed according to the county's municipal property tax duplicate (real, public utility, and tangible personal property) as a percentage of total values on all municipal property tax duplicates in the state for the second year preceding the year of the distribution.

Allocations to both municipal corporations and counties are made on or before the tenth of each month, at the same time that the statutes require the crediting to the state local government fund of revenues from the three component taxes (in amounts for each tax equal to 3.5% of the previous month's collection). Only the portion distributed to the counties according to the two-factor formula is subject to possible further adjustments -- to meet statutory stipulations that each county shall receive a minimum allocation per month of $10,000 and a minimum allocation per year of $150,000. In practice, minimum allocations of $12,500 are made each month and, pursuant to the statutes, allocations may be withheld at the beginning of a year up to the amount of any excess distributed to a county in the previous year.

All amounts received by a municipal corporation from the one-twelfth portion of the state local government fund are paid into the municipality's general fund to be used for any lawful purpose. However, the amount which a county receives from the eleven-twelfths portion is expressly designated for deposit in the county's "undivided local government fund," where it is combined with revenue from one other source.

COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS

Each of Ohio's eighty-eight counties has a county undivided local government fund. These eighty-eight funds receive revenue from two sources: (1) the eleven-twelfths portion of the state local government fund explained above, and (2) portions of the state-collected intangible property taxes paid by financial institutions and dealers in intangibles.

The intangible tax revenue earmarked for this return includes all revenue from the two-mill tax on deposits paid directly by financial institutions, two-thirds of the revenue from the three-mill tax levied on shares and capital of financial institutions, and five-sixths of the revenue from the six-mill tax on shares and capital employed by dealers in intangibles. The deposits tax is returned to the county in which the deposits are located (whether a principal or branch office), the financial institutions tax on shares and capital to the county in which the institution's principal office is located, and the tax on dealers to the counties in which their capital is employed. The remainder of the revenue from these state-collected intangible taxes goes into the state general revenue fund.

Within each county, moneys from these two state revenue sources, the designated state situs intangible taxes and eleven-twelfths of the state local government fund, are by statute required to be deposited in a single county undivided local government fund. From this fund they are then disbursed to local governments to be used for current operating expenses -- to the county government itself, to municipalities, townships, and special districts. These fund distributions are made according to percentage determinations previously arrived at by each county budget commission -- on the basis of revenue estimates supplied by the Department of Tax Equalization, and, in most counties, in light of the budget commission's review of each subdivision's proposed expenditure requests and of its other available resources, and according to specific statutory guidelines which are intended to yield a distribution which reflects the "needs" of the various recipient governmental units. In some counties, distribution may be according to an alternative apportionment plan or formula which has been approved by subdivisions within the county, as required by statute.

REVENUES DISTRIBUTED TO LOCAL GOVERNMENTS IN 1980

The Auditor of State distributed over $242 million to local governments during 1980 from the state local government fund and from portions of the intangible taxes. Of this total, $103.3 million was from the state local government fund (3.5% of the personal income, sales, and corporation franchise taxes), and $138.8 million was from the intangible taxes. Although distributions from both sources were greater than those of 1979, their combined percentage increase from the preceding year remained at approximately 7 percent, the same as the 1978-1979 increase. The intangible tax increase went from 5 to 11 percent, while that for the state local government fund fell markedly from 10 to 2 percent, as shown in Table 68.

Table 69 illustrates the county-by-county distribution of the $103.3 million state local govenment fund, with one-twelfth ($8.6 million) distributed directly to cities and villages levying municipal income taxes, and eleven-twelfths ($94.7 million) distributed to counties for further distribution from their county undivided local government funds. These eighty-eight county undivided local government funds also received the $138.8 million in distributions from portions of the intangibles tax as shown in Table 70. The last table, Table 71, indicates how each county budget commission distributed the undivided local government fund in its county among the various governmental units. These figures may differ somewhat from the amount actually received into the fund during the calendar year due to the timing of distributions from the fund.

Table 68

TOTAL STATE-COLLECTED REVENUES DISTRIBUTED FOR GENERAL LOCAL GOVERNMENTAL PURPOSES, CALENDAR YEARS 1976-1980

	Total State Local Government Fund		Earmarked Intangible Taxes		State LGF and Intangible Taxes Combined	
	Amount	Percent Increase	Amount	Percent Increase	Amount	Percent Increase
1976	$ 67,226,306	+ 9.54%	$ 97,594,652	+ 9.83%	$164,820,958	+ 9.71%
1977	80,085,612	+19.13	108,535,293	+11.21	188,620,905	+14.44
1978	91,738,564	+14.55	119,041,028	+ 9.68	210,779,592	+11.75
1979	101,054,318	+10.15	125,128,300	+ 5.11	226,182,618	+ 7.31
1980	103,277,756	+ 2.20	138,796,618	+10.92	242,074,374	+ 7.03

Source: Ohio Auditor of State.

Table 69

COMBINED SALES, PERSONAL INCOME, AND CORPORATION FRANCHISE TAXES DISTRIBUTED FROM THE STATE LOCAL GOVERNMENT FUND, CALENDAR YEAR 1980, BY COUNTY(a)

County	To Counties for Redistribution(b)	To Municipalities Levying Income Taxes(c)	Total State Local Government Fund
Adams	$ 150,000	$ 168	$ 150,168
Allen	572,429	50,777	623,206
Ashland	350,784	21,039	371,823
Ashtabula	717,535	44,249	761,784
Athens	281,263	14,434	295,697
Auglaize	328,623	18,786	347,409
Belmont	443,966	9,307	453,273
Brown	150,000	437	150,437
Butler	2,510,617	211,651	2,722,268
Carroll	150,000	- -	150,000
Champaign	201,338	10,456	211,794
Clark	884,116	117,764	1,001,880
Clermont	407,454	5,509	412,963
Clinton	230,379	4,603	234,982
Columbiana	620,881	41,946	662,827
Coshocton	233,390	8,341	241,731
Crawford	392,265	25,376	417,641
Cuyahoga	18,995,224	1,757,278	20,752,502
Darke	328,186	15,914	344,100
Defiance	280,791	19,829	300,620
Delaware	332,818	14,409	347,227
Erie	603,188	39,326	642,514
Fairfield	582,529	36,157	618,686
Fayette	163,010	4,756	167,766
Franklin	9,525,974	1,002,299	10,528,273
Fulton	278,679	21,385	300,064
Gallia	150,000	2,511	152,511
Geauga	281,610	13,204	294,814
Greene	734,770	35,573	770,343
Guernsey	225,754	14,255	240,009
Hamilton	9,041,523	1,288,439	10,329,962
Hancock	574,033	37,408	611,441
Hardin	184,289	9,883	194,172
Harrison	150,000	3,258	153,258
Henry	187,796	7,611	195,407
Highland	160,551	5,677	166,228
Hocking	150,000	6,413	156,413
Holmes	150,000	1,184	151,184
Huron	400,105	23,049	423,154
Jackson	171,899	- -	171,899
Jefferson	932,050	41,071	973,121
Knox	279,139	14,949	294,088
Lake	2,214,962	127,723	2,342,685
Lawrence	311,531	11,451	322,982
Licking	801,131	62,999	864,130
Logan	$ 251,384	$ 11,674	$ 263,058
Lorain	2,745,994	229,258	2,975,252
Lucas	5,313,492	589,011	5,902,503
Madison	181,591	7,349	188,940
Mahoning	1,964,401	203,224	2,167,625
Marion	528,102	38,252	566,354
Medina	779,560	29,711	809,271
Meigs	150,000	- -	150,000
Mercer	270,038	11,549	281,587
Miami	690,924	39,814	730,738
Monroe	150,000	2,060	152,060
Montgomery	5,286,925	698,136	5,985,061
Morgan	150,000	922	150,922
Morrow	150,000	3,934	153,934
Muskingum	414,439	30,512	444,951
Noble	150,000	- -	150,000
Ottawa	199,883	10,278	210,161
Paulding	150,000	- -	150,000
Perry	150,000	3,962	153,962
Pickaway	220,890	10,094	230,984
Pike	150,000	- -	150,000
Portage	830,603	50,866	881,469
Preble	190,797	947	191,744
Putnam	207,364	10,082	217,446
Richland	1,198,273	87,907	1,286,180
Ross	417,236	25,746	442,982
Sandusky	426,621	27,765	454,386
Scioto	387,073	22,682	409,755
Seneca	520,219	51,763	571,982
Shelby	350,410	27,148	377,558
Stark	2,467,923	266,367	2,734,290
Summit	5,172,297	543,123	5,715,420
Trumbull	1,733,772	118,350	1,852,122
Tuscarawas	620,690	41,055	661,745
Union	150,000	6,404	156,404
Van Wert	243,334	14,143	257,477
Vinton	150,000	- -	150,000
Warren	504,745	22,256	527,001
Washington	322,389	19,882	342,271
Wayne	705,924	46,727	752,651
Williams	280,783	23,070	303,853
Wood	765,671	68,114	833,785
Wyandot	160,951	9,485	170,436
Total	$94,671,280	$8,606,476	$103,277,756

(a) The state local government fund consists of monthly allocations from the general revenue fund equal to 3.5% of the previous months collections of the state sales tax, personal income tax, and corporation franchise tax.
(b) State total equals 11/12 of the state local government fund.
(c) State total equals 1/12 of the state local government fund.

SOURCE: Records of the Ohio Auditor of State.

Table 70

INTANGIBLE TAXES RETURNED TO COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS, CALENDAR YEAR 1980, BY COUNTY(a)

County	Amount	County	Amount
Adams	$ 166,603	Licking	$ 1,189,442
Allen	1,852,792	Logan	465,438
Ashland	510,438	Lorain	2,647,738
Ashtabula	1,060,098	Lucas	6,169,303
Athens	396,462	Madison	270,116
Auglaize	556,376	Mahoning	3,682,221
Belmont	1,000,302	Marion	769,592
Brown	306,270	Medina	964,461
Butler	2,437,055	Meigs	150,690
Carroll	155,233	Mercer	569,504
Champaign	371,847	Miami	1,040,051
Clark	1,477,195	Monroe	79,035
Clermont	658,215	Montgomery	7,164,371
Clinton	348,958	Morgan	106,058
Columbiana	1,182,111	Morrow	129,366
Coshocton	354,321	Muskingum	911,444
Crawford	655,883	Noble	100,691
Cuyahoga	30,958,763	Ottawa	445,783
Darke	653,505	Paulding	157,709
Defiance	598,861	Perry	172,636
Delaware	408,720	Pickaway	341,151
Erie	843,602	Pike	142,156
Fairfield	803,905	Portage	958,914
Fayette	271,135	Preble	314,152
Franklin	11,711,826	Putnam	413,573
Fulton	541,927	Richland	1,432,184
Gallia	268,128	Ross	591,008
Geauga	771,045	Sandusky	746,071
Greene	1,029,409	Scioto	746,216
Guernsey	513,155	Seneca	918,631
Hamilton	13,927,328	Shelby	498,313
Hancock	810,143	Stark	5,121,524
Hardin	341,303	Summit	6,281,665
Harrison	156,973	Trumbull	2,496,684
Henry	345,627	Tuscarawas	1,042,489
Highland	391,129	Union	308,239
Hocking	210,725	Van Wert	327,823
Holmes	227,409	Vinton	67,186
Huron	755,224	Warren	515,948
Jackson	307,707	Washington	664,445
Jefferson	1,073,434	Wayne	1,261,959
Knox	513,175	Williams	504,159
Lake	2,224,335	Wood	1,017,097
Lawrence	447,886	Wyandot	302,844
		Total	$138,796,618

(a) State-collected intangible taxes paid by financial institutions and dealers in intangibles and returned to counties of origin.

SOURCE: Records of the Ohio Auditor of State.

Table 71

DISTRIBUTION OF COUNTY UNDIVIDED LOCAL GOVERNMENT FUNDS, BY COUNTY, CALENDAR YEAR 1980(a)

	Amount Distributed By Subdivision Class			
County	County	Townships	Municipalities	Total
Adams	$ 158,302	$ 138,664	$ 19,637	$ 316,603
Allen	923,061	136,488	1,227,936	2,425,221(b)
Ashland	429,437	151,544	280,242	861,222
Ashtabula	621,407	224,248(c)	931,977	1,777,632
Athens	338,862	67,772	271,090	677,724
Auglaize	291,165	112,926	480,908	884,999
Belmont	711,934	146,830	570,846	1,429,610
Brown	273,762	68,441	114,068	456,270
Butler	2,473,315	210,558	2,108,468	4,946,630(b)
Carroll	183,038	30,762	91,277	305,077
Champaign	286,352	57,393	229,440	573,185
Clark	1,180,457	110,255	1,065,953	2,360,914(b)
Clermont	532,834	106,567	426,267	1,065,668
Clinton	267,598	53,934	257,805	579,337
Columbiana	901,496	180,299	721,197	1,802,992
Coshocton	292,349	103,942	188,407	584,698
Crawford	N.A.	N.A.	N.A.	N.A.
Cuyahoga	14,774,914	85,270	32,073,050	46,933,234
Darke	245,423	150,199	586,069	981,691
Defiance	360,657	241,904	277,090	879,652
Delaware	329,532	100,473	311,383	741,389
Erie	757,324	222,353	453,753	1,433,430
Fairfield	449,425	221,153	715,855	1,386,434
Fayette	159,592	43,414	231,138	434,144
Franklin	7,692,574	1,108,420	12,464,736	21,265,730
Fulton	316,481	172,569	331,204	820,253
Gallia	104,532	62,719	250,877	418,128
Geauga	400,009	519,026	133,620	1,052,655
Greene	599,145	247,624	889,338	1,764,179(b)
Guernsey	369,454	77,897	291,557	738,909
Hamilton	11,151,571	832,424	10,830,842	22,968,852(b)
Hancock	658,637	166,490	559,050	1,384,177
Hardin	262,482	105,119	157,992	525,592
Harrison	145,033	72,516	72,516	290,066
Henry	247,918	83,468	202,036	533,423
Highland	274,935	93,478	181,457	549,870
Hocking	198,399	93,575	68,751	360,725
Holmes	226,401	105,654	45,280	377,335
Huron	351,988	140,217	663,124	1,155,330
Jackson	219,953	69,270	196,539	485,761
Jefferson	452,394	198,096	1,331,643	1,982,134
Knox	396,157	103,001	293,156	792,314
Lake	502,230	266,900	3,590,906	4,439,292(b)
Lawrence	455,583	75,930	227,791	759,304
Licking	995,286	218,366	776,921	1,990,573
Logan	$ 358,415	$ 115,388	$ 242,960	$ 716,763
Lorain	1,490,620	267,318	3,197,379	5,393,732(b)(d)
Lucas	3,641,262	534,031	6,623,191	11,483,532(b)
Madison	225,854	67,756	158,097	451,707
Mahoning	2,822,058	808,270	2,014,014	5,644,342
Marion	551,520	129,769	616,405	1,297,695
Medina	529,874	238,658	822,746	1,743,699(b)
Meigs	119,778	89,834	89,834	299,445
Mercer	361,003	151,118	327,422	839,543
Miami	605,841	173,097	952,036	1,730,974
Monroe	137,980	54,850	36,206	229,035
Montgomery	5,573,169	686,152	5,654,673	11,913,994
Morgan	102,423	72,157	81,478	256,058
Morrow	167,619	63,975	47,772	279,366
Muskingum	535,608	166,220	624,055	1,325,883
Noble	150,415	52,645	47,631	250,691
Ottawa	208,052	142,070	295,545	645,667
Paulding	153,855	55,388	98,467	307,709
Perry	161,318	72,622	88,697	322,636
Pickaway	280,990	67,438	213,553	561,981
Pike	160,686	58,600	72,870	292,156
Portage	780,409	368,820	640,289	1,789,517
Preble	246,225	49,245	196,980	492,449
Putman	186,281	142,815	291,840	620,937
Richland	1,178,445	297,163	1,154,849	2,630,457
Ross	409,524	199,204	399,072	1,007,800
Sandusky	542,142	114,009	456,024	1,140,075(b)
Scioto	479,241	113,329	540,718	1,133,287
Seneca	604,318	215,827	618,705	1,438,850
Shelby	424,361	84,872	339,489	848,723
Stark	3,794,724	413,450	3,365,788	7,589,447(b)
Summit	3,436,189	970,265	6,689,282	11,453,962(d)
Trumbull	2,111,088	490,199	1,643,834	4,245,121
Tuscarawas	707,012	199,581	756,585	1,663,179
Union	229,119	131,789	97,330	458,239
Van Wert	280,324	100,819	184,645	571,157(b)
Vinton	108,593	45,609	62,984	217,185
Warren	490,805	102,031	408,124	1,020,311(b)
Washington	443,779	228,061	314,994	986,834
Wayne	900,533	237,049	830,301	1,967,883
Williams	323,811	91,542	352,804	768,158
Wood	561,311	178,277	1,043,180	1,782,768
Wyandot	223,128	111,564	111,564	446,255
Total	$89,763,100	$16,731,024	$119,997,604	$228,751,561(e)

(a) The county undivided local government fund consists of eleven-twelfths of the state local government fund and portions of the state-collected intangible property taxes paid by financial institutions and dealers in intangibles.
(b) Includes park district allocations not reported in preceding column.
(c) Includes allocation for parks.
(d) Includes allocation for welfare not reported in a preceding column.
(e) Includes amounts not contained in preceding subdivision columns totalling $1,476,607 for park districts in 13 counties and $783,227 for public assistance in 2 counties.
N.A. -- Not available

Note: Apparent discrepancies between county totals shown above and totals shown in previous tables result from normal time lags in the distribution of funds.

SOURCE: Surveys filed by county auditors with the Ohio Department of Tax Equalization.

REAL PROPERTY TAX

Accompanying tables include data for public utility property taxes.
See the separate section PUBLIC UTILITY PROPERTY TAX for explanatory material on that tax.

In tax year 1980, the assessed valuation of taxable real estate and public utility property exceeded $65 billion, an increase of 5.5% over the 1979 valuation. Taxes on these values are distributed to the local taxing authorities during calendar year 1981. Net taxes charged after the application of the percentage reductions required by Section 319.301 (A) of the Ohio Revised Code equalled approximately $2.8 billion for tax year 1980, an increase of 7.7% over 1979. This figure is before deductions of the tax rollback of 10% on all real property, the homestead exemption, and the 2.5% rollback for homeowners only. All three of these property tax reductions are fully reimbursed to local governments from the state general revenue fund. The amount of relief for 1980 was $235.4 million for the 10% reduction, $58.6 million for the homestead exemption, and $35.1 million for the 2.5% reduction.

Under state law and Department of Tax Equalization rules, real property in all counties is now reappraised every six years at 35% of market value, and updated in the third year following each sexennial reappraisal. Sales ratio studies are made by the Department of Tax Equalization twice a year in each county to compare the assessed taxable value to the sales price of properties sold. These ratios are used extensively in checking the reappraisal process.

The provisions in the state Constitution concerning real property valuations were altered by the voters at the general election held on November 4, 1980. Am. H.B. 1238, effective December 19, 1980, implemented the approved changes pertaining to tax reduction factor provisions. The act requires the Commissioner of Tax Equalization to adopt rules for tax year 1980 and thereafter for the classification of real property into two classes -- residential/agricultural property and non-residential/non-agricultural property, and a separate but uniform reduction in the taxes levied against the real property in each of the two classes. Prior to 1980, only one percentage reduction applied to all of the real property in a taxing district. Tax reduction percentages are calculated to eliminate the effect of increases in the valuation of existing real property in a taxing district on voted taxes. Am. Sub. H.B. 50, effective October 12, 1981, changed the base for the tax reduction percentages from tax year 1980 to tax year 1975, 1976, 1977, or 1978, depending upon which of those years was the year in which the county finished its first sexennial reappraisal or triennial update after 1975.

TAX BASE (R.C. 5713.03, 5715.01, 5715.011):

Taxable value of land and improvements. Taxable value is a percentage of market value except for certain land devoted exclusively to agricultural use. Under the rules adopted under current law, all counties are now reappraised and equalized at 35% of true or market value as of the year of reappraisal or the third calendar year after reappraisal.

RATE (R.C. 319.301, 5705.02, 5705.03, 5705.04, 5705.05, 5705.19):

Vary with taxing jurisdiction. Total tax rate includes all levies, enacted by legislative authority or approved by voters, for all taxing jurisdictions within which the property is located (e.g., county, township, municipality, and school district). The statewide average "gross" millage rate on all real property for 1980 was 52.74 mills, as compared to last year's rate of 51.70 mills. The statewide average "effective" millage rate was 41.50 mills for 1980 as compared to last year's effective rate of 41.00 mills. The difference between the gross millage rate of 52.74 mills and the effective rate of 41.50 mills is explained by Section 319.301 (a) of the Revised Code which prevents increases in voted taxes when the valuation of existing real property is increased due to reappraisal or the triennial update. (See **"Credits"** section.)

The Ohio Constitution prohibits governmental units from levying property taxes which in the aggregate exceed 1% of true value unless they are approved by the voters. This is known in state law as the 10-mill limitation, and the millage within this limitation is commonly referred to as "inside"

RATES (cont'd):

millage. Since the "inside" 10 mills are levied on "taxable value" which is 35% of true or market value, the effect is a statutory limit of 0.35%, a limit nearly three times as strict as the 1% constitutional limitation.

EXEMPTIONS (R.C. 5709.08, 5709.25, 5713.23, 5713.30, 5713.31, 5713.34, 6111.34):

The Constitution requires real property (land and improvements) to be taxed by uniform rule according to value. Authorized exemptions implemented by statute include:

1. General: Exemption of the real property of governmental or private institutional owners on the grounds of ownership and/or usage (e.g., schools, hospitals, churches, municipal corporations, etc.).

2. Pollution Control: Certified air, water, and noise pollution control equipment.

3. Farm Land: Land devoted exclusively to commercial agricultural use may be valued according to current use instead of "highest and best" use. Such land must meet one of the following requirements for three years prior to the year in which application for current use treatment is made:

   a) 30 acres or more -- all must be devoted to agricultural use; or
   b) under 30 acres -- all must be devoted to agricultural use and produce an average yearly gross income of at least $2,500.

   In addition, when the land is converted from agricultural use, a charge is levied on such land in an amount equal to the amount of tax savings on the converted land during the four tax years immediately preceding the year in which the conversion occurs.

4. Forest Land: Forest land, devoted exclusively to forestry or timber growing under the rules of the Ohio Department of Natural Resources, Division of Forestry, may be taxed at 50% of the local rate.

CREDITS (R.C. 319.301, 323.151-323.157):

1. Percentage Rollback: State law grants tax relief in the form of a 10% reduction in each taxpayer's real property tax bill. In addition, a 2.5% rollback of real property taxes is granted on a homestead for each homeowner. The state reimburses local governments for the cost of these tax credits.

2. Tax Reduction Factor: Separate percentage reductions are applied to taxes levied against the two classes of real property (residential/agricultural and non-residential/non-agricultural) being reappraised or updated. These reduction factors remain in effect until there is a new increase in value (excluding new construction). New reduction factors are calculated annually and applied. The computation of these percentage reduction factors is a rather complex process, but it involves two main steps:

   Step One The Department of Tax Equalization certifies to each county auditor tax reduction factors to be applied to each tax levy for each of the two classes of property. The tax reduction factor is calculated to eliminate the effect of an increase in the valuation of existing real property in a taxing unit (school district, county, municipality, etc.) on voted taxes. If the tax reduction factor results in an "effective" tax rate for current expenses of a school district (including current expenses of a joint vocational school) of less than 20 mills on all real property in the district, the reduction factor must be adjusted to yield a minimum of 20 effective mills.

CREDITS (cont'd):

Step Two The county auditor then calculates a composite tax reduction factor to be applied to individual tax bills in a taxing district for each taxing district in the county. (A taxing district may be generally defined as a geographical area in which the total tax rate is uniform throughout.) To compute the composite tax reduction factor, the county auditor uses the tax reduction factors supplied by the Department of Tax Equalization for each taxing unit (school district, municipality, etc.) in which a taxing district is located and multiplies them by the relative weights of each tax levy effective in the taxing district.

These factors are applied to real estate and public utility real property, but not to public utility personal property. The result of these calculations yields net taxes as shown in the tables in this section.

3. Homestead Exemption: Homestead exemption property tax reductions are granted to qualified low-income homeowners who are either 65 years of age or older or are permanently and totally disabled. The reduction is equal to the gross millage rate multiplied by the reduction in taxable value shown in the following schedule:

Total Income of Owner and Spouse:	Reduce Taxable Value by the Lessor of:
$ 5,000 or less	$5,000 or 75% of taxable value
$ 5,000-$10,000	$3,000 or 60% of taxable value
$10,000-$15,000	$1,000 or 25% of taxable value
Over $15,000	- 0 -

All types of income are included except workers' compensation, disability benefits paid by the Veterans Administration or a branch of the armed forces, welfare payments, and life insurance proceeds paid by reason of death. For those persons receiving the homestead exemption for the first time for tax years 1976 and earlier, any increases in social security benefits effective after December 31, 1975, are excluded from the definition of total income. For those persons receiving the homestead exemption for tax years 1977 and thereafter, only the increases in social security benefits which occur on or after January 1 of the year for which the homestead exemption is first received are excluded from the definition of total income.

Table 79 shows the number of homestead exemptions granted, the average reduction in real taxable value, and the total reduction in real property taxes for each county for tax year 1979. Totals for the state show that the number of exemptions approved was 374,313, the average reduction in taxable value was $3,175, and the total reduction in property taxes was $57,006,966.

Local governments are reimbursed in full for these tax reductions from the state general revenue fund.

Example of Homestead Exemption Computation

The example below illustrates the computation of homestead exemption property tax relief. For this example, we will assume a senior citizen homeowner with the following characteristics:

a) Total income of $6,500 (consisting of $2,000 in wages, $2,500 in social security income, and $2,000 in dividends).
b) A home with a market value of $25,000 and a taxable value of $8,750. Taxable value is 35% of market value -- $25,000 x 35% = $8,750.
c) A local property tax rate of 50 mills (gross rate).

Since this homeowner receives $6,500 of total income, he is in the $5,000-$10,000 income bracket and is entitled to a reduction in taxable value of $3,000 or 60%, whichever is less. Sixty percent of $8,750 is $5,250, so his reduction in taxable value is the flat $3,000. His tax savings are equal to

CREDITS (cont'd):

the $3,000 reduction in taxable value multiplied by the 50-mill tax rate. This amounts to a tax savings of $150.

Like all other real property taxpayers, the senior citizen homeowner in our example is entitled to a tax reduction factor (see no. 2 above) which is applied against the property tax (assume a 15% reduction for this example). Also, the homeowner is granted a 12.5% tax reduction (12.5% property tax rollback) which is reimbursed to local governments from the state general revenue fund. When these are considered, the computation of net property tax due is shown below.

Property tax before any reductions:		
$8,750 taxable value x 50 mills =		$437.50
Subtract tax reduction factor ($437.50 x 15%)	-	65.63
Net taxes levied after tax reduction factor		$371.87
Subtract 12.5% rollback (.125 x of $371.87)	-	46.48
Net taxes before homestead		$325.39
Subtract homestead exemption tax relief	-	150.00
Net property tax due		**$175.39**

TAXPAYER:

All real property owners not specifically exempt.

PAYMENT DATES (R.C. 323.12, 323.17):

December 31: Full amount of tax (or one-half of it) is due.

June 20: Balance due.

Extensions are normally granted for 30 days by the county commissioners; further extensions not to exceed 15 days, may be granted by application of the county auditor or treasurer to the Commissioner of Tax Equalization.

DISPOSITION OF REVENUE (R.C. 319.54, 5719.05):

After local administrative deductions, revenue is distributed by county treasurers to the counties, municipalities, townships, and school districts according to the taxable values and total millage levied by each.

OHIO REVISED CODE CITATIONS:

Chapters 319, 323, 5701, 5705, 5709, 5713, 5715, 5719, 6111.

RECENT LEGISLATION:

Am. H.B. 1238, effective December 19, 1980.

R.C. 319.301: The Commissioner of Tax Equalization computes and certifies to the county auditor two tax reduction factors rather than one, as under the prior law.

R.C. 5713.041: The Commissioner of Tax Equalization shall adopt rules for the classification of all real property into one of two classes -- residential/agricultural property and non-residential/non-agricultural property for the purposes of making the reduction in taxes due to

RECENT LEGISLATION (cont'd):

the effect of increases in the valuation of existing real property in a taxing district on voted taxes. Each separate parcel of real property shall be classified into one of the two classes of property by the county auditor solely for the purpose of implementing the tax reduction factors obtained from the Commissioner of Tax Equalization.

R.C. 323.131: The two tax reduction factors for the two classes of property will be calculated for tax year 1980 and thereafter.

Am. Sub. H.B. 50, efffective October 12, 1981.

R.C. 323.131: Requires that in 1981, the real property tax reduction factors will not be computed using tax year 1980 as the base. Instead, the tax reduction factors will be computed using tax years 1975, 1976, 1977, or 1978 as the base, depending upon which of those years was the year in which the county finished its first sexennial reappraisal or triennial update after 1975.

RECENT SIGNIFICANT COURT DECISIONS:

Nucorp. Inc. v. Board of Revision, 64 Ohio St. 2d 20, (1980).

The forty-five day requirement within which the taxpayer must supply additional information required by Department of Tax Equalization Form 1 is a procedural provision and not a jurisdictional provision; therefore, the taxpayer's noncomplicance with the forty-five-day requirement of Department of Tax Equalization Form 1, does not divest the Board of Revision of jurisdiction to hear the taxpayer's complaint.

Cooke v. Kinney, Ohio St. 2d 7, (1981).

The approval by the Commissioner of Tax Equalization of a county auditor's triennial real property assessment is not a final determination within the meaning of R.C. 5717.02. Therefore, the Board of Tax Appeals lacks jurisdiction to hear the taxpayer's complaint. The proper forum for a taxpayer seeking to challenge a county auditor's triennial real property assessment is the county board of revision as provided by R.C. 5715.19.

S.E.M. Villa II v. Kinney, 66 Ohio St. 2d 67, (1981).

A non-profit "congregate living facility for senior citizens" which does not provide all the services required by R.C. 5701.13 does not qualify for an exemption under R.C. 5709.12. Specifically, the mere maintenance of the grounds and common areas is insufficient to qualify as "custodial care" [R.C. 5701.13 (D) (3)] of the resident, and one nurse who works a forty hour week is insufficient to qualify as "medical and nursing care" [R.C. 5701.13 (D) (4)]. Also, the facility must provide service for the life of each resident [R.C. 5701.13 (D)] only while the residents are mentally and physically capable of caring for themselves.

Youngstown Sheet and Tube Co. v. Bd. of Revision, 66 Ohio St. 2d 398, (1981).

In determining the true value of taxpayer's property on the tax lien date, the Board of Tax Appeals is not required to adopt the appraisal methodology espoused by any expert witness. The BTA may consider pre-and post-tax lien date, factors that affect the true value of the taxpayer's property on the tax lien date, and it must break down aggregate multi-parcel valuations into individualized parcel values before certifying its order to the county auditor.

RECENT SIGNIFICANT COURT DECISIONS (cont'd):

Consolidated Aluminum Corp. v. Board of Revision, 66 Ohio St. 2d 410, (1981).

When, due to the complexities of a sale, it is not possible to make an allocation of a portion of the lump sum purchase price of an entire business enterprise to the property in a single county, "[t]" the Board of Tax Appeals is not required, in every instance, and in all events, to accept as the true value in money of real property, an allocation of a porton of a lump-sum purchase price paid for a group of assets which included the property in question, and where it finds a proper allocation of the lump-sum purchase price to the property in question is not possible, it may consider all of the evidence which is before it in determining the value of the property."

Table 72

ASSESSED VALUE OF TAXABLE REAL ESTATE AND PUBLIC UTILITY PROPERTY, TAXES CHARGED, AVERAGE TAX RATES, AND TAX RELIEF, CALENDAR YEARS 1976 - 1980

	1976	1977	1978	1979	1980
Value of Taxable Property	$46,669,160,806	$49,073,676,816	$55,130,779,296	$61,654,625,010	$65,127,895,220
Taxes Charged(a)	$ 2,048,037,645	$ 2,178,187,979	$ 2,370,214,066	$ 2,557,650,628	$ 2,754,705,723
Average Effective Tax Rate(b)	43.88 mills	44.39 mills	42.99 mills	41.48 mills	42.30 mills
10% Reduction In Real Property Taxes Only(c)	$ 174,983,005	$ 186,467,960	$ 201,732,006	$ 219,258,656	$ 235,445,713
2.5% Reduction In Homeowner's Real Property Taxes(d)	- -	- -	- -	$ 33,900,785	$ 35,097,335
Homestead Exemption Reduction	$ 44,930,644	$ 46,078,179	$ 49,039,378	$ 57,726,732	$ 58,552,163
Net Taxes Collectible (After 12.5% Reduction & Homestead Exemption)	$ 1,828,123,996	$ 1,945,641,840	$ 2,119,442,682	$ 2,246,764,455	$ 2,425,610,512

(a) Net taxes charged after application of percentage reductions required by R.C. 319.301 (A).
(b) Taxes charged divided by value of taxable property.
(c) Not applicable to tangible personal property of public utilities.
(d) Starting in tax year 1979, a 2.5% rollback of real property taxes is granted on a homestead for each homeowner.

Table 73

ASSESSED VALUE OF TAXABLE REAL ESTATE AND PUBLIC UTILITY PROPERTY INSIDE AND OUTSIDE MUNICIPALITIES, CALENDAR YEARS 1976 - 1980

	1976	1977	1978	1979	1980
Real Estate					
Inside Municipalites	$26,254,799,413	$27,169,331,221	$30,042,608,174	$34,419,033,475	$36,053,475,281
Outside Municipalities	13,290,199,623	14,562,584,135	17,289,797,762	18,926,637,999	20,404,367,326
Total Real Estate	$39,544,999,036	$41,731,915,356	$47,332,405,936	$53,345,671,474	$56,457,842,607
Public Utility					
Inside Municipalities	$3,594,905,360	$3,723,905,390	$3,832,626,490	$4,121,344,400	$4,265,223,693
Outside Municipalities	3,529,256,410	3,617,856,070	3,965,746,870	4,187,603,850	4,404,828,920
Total Public Utility	$7,124,161,770	$7,341,761,460	$7,798,373,360	$8,308,948,250	$8,670,052,613
Total Real and Public Utility					
Inside Municipalities	$29,849,704,773	$30,893,236,611	$33,875,234,664	$38,540,377,875	$40,318,698,974
Outside Municipalities	16,819,456,033	18,180,440,205	21,255,544,632	23,114,241,849	24,809,196,246
Grand Total	$46,669,160,806	$49,073,676,816	$55,130,779,296	$61,654,619,724	$65,127,895,220

Table 74

TOTAL REAL PROPERTY TAXES, VALUES, AND EFFECTIVE TAX RATES, BY COUNTY, CALENDAR YEAR 1980 (Including Public Utility Real Property)

Counties	Gross Taxes Levied	Taxes Charged (Computed Figure)(a)	Taxable Value	Special Assess-ments	Delin-quent Taxes	Effec-tive Tax Rate (b)
Adams	$ 3,237,766	$ 3,061,093	$ 111,367,830	$ 11,604	$ 219,647	27.54
Allen	21,802,849	17,958,243	575,456,820	892,983	1,093,244	31.20
Ashland	10,681,238	8,625,073	235,182,640	46,741	574,875	36.67
Astabula	22,588,905	19,060,796	472,443,330	265,638	1,517,980	40.34
Athens	8,110,598	6,831,311	152,975,840	517,849	507,445	44.65
Auglaize	8,349,370	7,313,635	227,857,180	219,250	268,505	32.09
Belmont	15,346,393	11,198,529	354,795,670	51,297	679,888	31.56
Brown	6,156,264	5,152,835	158,966,310	8,382	346,473	32.41
Butler	57,135,360	48,025,416	1,364,122,320	1,037,780	2,425,862	35.21
Carroll	6,476,534	4,319,380	144,390,910	45,841	284,598	29.91
Champaign	8,832,318	6,156,683	201,550,340	44,646	405,073	30.55
Clark	33,370,465	26,053,343	696,645,340	213,292	1,424,892	37.40
Clermont	31,348,596	24,605,952	594,830,260	180,758	1,589,675	41.37
Clinton	7,579,315	6,744,896	179,902,660	47,611	459,736	37.49
Columbiana	24,209,100	17,454,131	548,284,060	217,499	915,350	31.83
Coshocton	7,241,254	5,941,988	196,661,910	20,014	400,479	30.21
Crawford	14,013,784	9,272,096	300,510,140	70,344	389,165	30,85
Cuyahoga	653,398,274	478,336,202	9,064,036,370	12,573,660	31,323,756	52.77
Darke	11,565,006	10,277,754	295,149,910	159,440	336,438	34.82
Defiance	8,661,009	7,741,920	215,158,220	229,402	281,077	35.98
Delaware	12,829,532	11,670,953	338,395,880	83,595	486,860	34.48
Erie	25,878,059	17,121,836	493,974,610	951,372	1,038,264	34.66
Fairfield	28,744,790	18,050,104	546,982,040	130,637	454,501	33.00
Fayette	6,523,677	5,196,741	178,618,200	131,611	163,095	29.09
Franklin	208,789,540	188,663,996	4,599,611,870	719,740	9,417,802	41.01
Fulton	10,727,339	8,773,087	226,913,870	434,331	215,915	38.66
Gallia	3,674,453	3,318,216	120,777,500	-0-	156,805	27.47
Geauga	27,904,061	23,670,345	463,873,590	304,064	998,389	51.03
Greene	30,191,627	26,221,925	577,626,460	1,168,431	1,349,542	45.39
Guernsey	7,036,839	6,020,282	178,373,580	47,593	528,971	33.75
Hamilton	243,298,924	216,375,600	4,383,500,950	1,671,086	8,104,439	49.36
Hancock	22,717,116	17,019,071	532,856,870	333,362	487,604	31.94
Hardin	6,709,092	5,610,398	161,863,620	144,869	430,251	34.66
Harrison	2,627,843	2,177,914	63,998,630	13,993	134,850	34.03
Henry	7,912,883	7,258,983	182,811,171	393,839	135,188	39.71
Highland	6,185,838	5,114,328	163,524,430	43,105	261,416	31.28
Hocking	4,613,420	3,463,581	117,974,280	24,319	194,079	29.36
Holmes	8,151,501	6,180,124	186,167,720	26,570	246,573	33.19
Huron	14,114,077	9,647,490	293,968,520	176,065	322,599	32.82
Jackson	3,325,353	2,876,463	93,853,610	16,641	293,427	30.65
Jefferson	14,834,745	12,607,063	361,749,700	180,801	1,235,534	34.85
Knox	11,042,799	9,231,049	245,169,620	289,846	635,760	37.65
Lake	95,862,614	59,746,263	1,513,217,240	3,896,005	2,473,328	39.48
Lawrence	8,149,429	6,821,761	239,647,290	51,824	693,952	28.47
Licking	24,404,779	20,999,098	572,481,340	170,573	842,476	36.68
Logan	$ 10,676,297	$ 7,150,118	$ 233,404,820	$ 163,377	$ 391,577	30.63
Lorain	85,137,115	57,362,396	1,521,507,820	1,529,975	3,311,401	37.70
Lucas	142,495,230	105,497,021	2,494,823,620	17,094,833	8,808,290	42.28
Madison	8,494,327	7,180,899	209,776,630	189,708	424,101	34.23
Mahoning	60,861,224	54,595,441	1,209,391,260	480,974	10,014,602	45.14
Marion	18,025,096	12,175,642	396,472,400	248,218	658,631	30.71
Medina	47,178,434	27,824,208	808,721,610	1,016,700	1,177,714	34.41
Meigs	3,130,693	2,918,250	90,818,170	-0-	280,867	32.13
Mercer	8,842,804	7,949,501	228,885,880	104,527	95,646	34.73
Miami	25,355,671	17,345,569	526,604,960	283,166	729,235	32.94
Monroe	2,955,231	2,285,467	76,900,260	2,106	600,542	29.72
Montgomery	151,725,866	132,333,365	2,676,753,520	5,112,111	8,432,009	49.43
Morgan	2,276,966	1,795,227	64,999,570	-0-	82,575	27.62
Morrow	5,265,290	4,689,208	127,396,710	12,819	449,092	36.81
Muskingum	14,852,016	10,936,841	315,774,920	135,303	838,880	34.63
Noble	1,460,875	1,344,999	44,799,440	9,442	89,048	30.02
Ottawa	12,108,105	8,244,229	262,517,870	190,488	205,594	31.40
Paulding	6,060,704	4,918,292	138,445,800	60,091	183,305	35.52
Perry	4,221,269	3,621,355	97,398,580	16,237	356,039	37.18
Pickaway	8,717,762	7,488,378	225,827,740	27,464	365,113	33.16
Pike	3,135,348	2,734,518	58,923,140	-0-	343,184	46.41
Portage	42,258,840	27,485,300	710,291,080	1,030,716	2,621,003	38.70
Preble	8,534,193	7,663,759	211,977,960	446,365	567,904	36.15
Putnam	7,788,861	7,054,709	190,286,600	47,526	136,593	37.07
Richland	30,040,456	26,259,703	591,034,750	482,765	2,214,589	44.43
Ross	14,226,404	10,180,446	306,205,340	22,427	461,210	33.24
Sandusky	13,201,848	11,018,259	326,144,940	620,925	562,734	33.78
Scioto	13,510,002	10,376,322	312,296,320	13.345	504,422	33.23
Seneca	12,679,841	10,638,324	309,574,610	106,798	332,190	34.36
Shelby	8,978,753	7,842,820	217,544,000	183,763	225,471	36.05
Stark	102,775,426	66,394,995	2,170,989,930	1,141,315	4,071,000	30.58
Summit	143,168,121	128,922,453	2,624,444,690	7,386,425	10,766,600	49.12
Trumbull	51,123,035	44,456,593	1,145,701,070	444,396	4,726,317	38.80
Tuscarawas	20,322,315	15,868,905	482,361,390	8,138	551,854	32.90
Union	8,023,084	5,480,536	193,455,740	46,001	333,250	28.33
Van Wert	7,920,674	7,025,958	180,365,300	84,322	270,143	38.95
Vinton	1,535,468	1,428,828	44,343,450	-0-	96,824	32.22
Warren	28,223,606	19,479,401	554,418,860	499,625	1,223,030	35.13
Washington	14,043,439	11,362,425	349,886,810	36,830	523,869	32.47
Wayne	22,011,976	18,337,939	494,525,000	339,287	622,181	37.08
Williams	9,714,924	6,719,676	198,022,870	349,839	195,324	33.93
Wood	24,885,587	21,961,646	575,400,040	1,970,805	928,211	38.16
Wyandot	7,385,081	5,327,060	176,686,400	35,127	120,776	30.15
Total	$3,011,682,985	$2,369,644,928	$57,104,322,521	$70,232,582	$146,638,718	41.50

(a) Represents taxes charged after "tax reducton factors" are applied. The 10% rollback for all real property, 2.5% rollback for residential real property, and homestead exemption on reduction have not been subtracted from this figure because they are fully reimbursed to the local governments and school districts from the State General Revenue Fund.

(b) Rate shown in mills equals taxes charged divided by taxable value.

Source: Abstracts and composite factor surveys filed by county auditors with the Department of Equalization.

Table 75

TAXES LEVIED ON REAL AND PUBLIC UTILITY PROPERTY AND PROPERTY TAX RELIEF, CALENDAR YEAR 1979[a], BY COUNTY

County	Net Taxes Levied[b]	10% Reduction in Real Property Taxes Only[c]	2.5% Reduction in Real Property Taxes of Homeowners[d]	Homestead Exemption Reduction	Net Taxes Collectible
Adams	$ 5,928,383	$ 229,639	$ 15,773	$ 93,368	$ 5,589,603
Allen	17,205,919	1,684,945	224,264	429,605	14,867,105
Ashland	9,571,656	794,769	97,108	265,555	8,414,224
Ashtabula	22,366,390	1,807,437	279,919	711,920	19,567,114
Athens	9,031,376	622,522	79,665	265,380	8,063,809
Auglaize	7,543,038	686,148	73,048	215,641	6,568,201
Belmont	13,767,904	1,067,654	154,743	569,353	11,976,154
Brown	5,720,458	488,286	40,410	177,009	5,014,753
Butler	47,175,692	4,225,826	703,801	1,029,078	41,216,987
Carroll	4,663,306	346,512	41,591	157,242	4,117,961
Champaign	5,677,265	497,489	20,979	142,937	5,015,860
Clark	25,680,920	2,219,585	339,068	774,589	22,347,688
Clermont	27,078,224	2,041,150	322,558	467,710	24,246,806
Clinton	7,610,771	673,937	67,306	191,641	6,677,887
Columbiana	16,165,144	1,288,243	195,641	638,576	14,042,684
Coshocton	10,908,109	588,666	71,757	192,884	10,054,802
Crawford	10,230,207	893,636	104,241	325,117	8,907,213
Cuyahoga	506,561,309	45,129,280	7,771,809	12,052,273	441,607,947
Darke	10,464,091	961,637	102,017	268,598	9,131,839
Defiance	8,501,258	706,996	86,681	172,010	7,535,571
Delaware	12,827,044	1,118,923	136,716	179,371	11,392,034
Erie	20,044,215	1,672,235	261,110	520,338	17,590,532
Fairfield	18,272,064	1,562,011	228,145	553,291	15,928,617
Fayette	5,589,627	490,154	43,784	128,852	4,926,837
Franklin	204,628,395	18,367,970	2,740,002	2,518,086	181,002,337
Fulton	9,444,473	797,267	89,749	212,971	8,344,486
Gallia	10,587,511	329,109	32,230	111,397	10,114,775
Geauga	23,432,629	2,091,434	367,977	251,307	20,721,911
Greene	27,905,468	2,461,770	376,826	409,901	24,656,971
Guernsey	7,861,399	629,149	79,734	321,880	6,830,636
Hamilton	211,725,258	18,638,270	3,015,260	4,350,216	185,721,512
Hancock	14,711,918	1,327,190	146,323	260,334	12,978,071
Hardin	6,111,492	539,375	47,797	165,537	5,358,783
Harrison	3,052,512	210,449	21,673	100,508	2,719,882
Henry	7,775,376	697,358	65,225	154,325	6,858,468
Highland	5,671,630	494,674	34,985	212,613	4,929,358
Hocking	3,888,662	290,803	41,440	143,500	3,412,919
Holmes	5,075,234	434,860	33,704	80,296	4,526,374
Huron	11,191,610	914,537	110,100	304,570	9,862,403
Jackson	3,900,549	285,965	40,804	204,868	3,368,912
Jefferson	23,326,129	1,251,905	169,076	474,847	21,430,301
Knox	8,873,720	766,985	89,798	266,421	7,750,516
Lake	67,140,477	5,675,563	1,065,172	1,039,849	59,359,893
Lawrence	6,847,027	523,841	80,028	331,251	5,911,904
Licking	21,551,394	1,840,897	252,308	543,209	18,914,980
Logan	7,754,023	654,980	79,341	251,950	6,767,752
Lorain	66,969,211	5,483,946	968,876	1,638,464	58,877,925
Lucas	108,332,171	9,367,641	1,512,908	2,739,934	94,711,688
Madison	8,036,103	705,616	23,014	137,431	7,170,042
Mahoning	62,220,468	5,367,823	888,153	1,677,942	54,286,550
Marion	12,824,887	1,098,763	161,516	396,613	11,167,995
Medina	28,336,248	2,459,191	434,126	461,109	24,981,822
Meigs	2,808,223	205,987	20,209	117,453	2,464,574
Mercer	7,984,074	733,639	70,901	155,404	7,024,130
Miami	17,643,546	1,552,653	240,779	532,637	15,317,477
Monroe	2,724,838	184,139	17,662	74,303	2,448,734

Table 75 (cont'd)

County	Net Taxes Levied[b]	10% Reduction in Real Property Taxes Only[c]	2.5% Reduction in Real Property Taxes of Homeowners[d]	Homestead Exemption Reduction	Net Taxes Collectible
Montgomery	$ 144,899,667	$ 12,651,200	$ 1,825,310	$ 2,488,419	$ 127,934,738
Morgan	4,187,393	176,759	17,158	72,469	3,921,007
Morrow	4,860,758	423,118	43,182	130,687	4,263,771
Muskingum	12,932,549	969,460	134,128	462,429	11,366,532
Noble	1,748,245	122,296	10,245	48,625	1,567,079
Ottawa	13,597,142	800,359	96,575	263,304	12,436,904
Paulding	4,917,641	426,559	39,266	105,218	4,346,598
Perry	4,359,133	352,645	39,941	227,542	3,739,005
Pickaway	9,164,677	745,449	70,632	153,081	8,195,515
Pike	3,550,965	232,829	28,760	160,277	3,129,099
Portage	31,220,191	2,587,999	441,000	630,626	27,560,566
Preble	7,874,924	713,787	71,101	169,885	6,920,151
Putnam	6,769,946	611,329	64,806	142,890	5,590,921
Richland	26,319,351	2,275,920	303,730	655,350	23,084,351
Ross	10,130,661	844,671	77,873	340,289	8,867,828
Sandusky	12,490,377	1,060,059	147,389	325,254	10,957,675
Scioto	10,774,963	829,437	111,293	530,570	9,303,663
Seneca	11,460,429	1,001,731	130,436	270,266	10,057,996
Shelby	8,871,800	782,036	84,499	172,095	7,833,170
Stark	78,669,490	6,411,773	1,055,654	2,035,468	69,166,595
Summit	141,965,100	12,623,704	2,105,636	3,401,887	123,833,873
Trumbull	49,598,368	4,372,642	720,939	1,225,310	43,279,477
Tuscarawas	14,527,186	1,213,739	176,810	575,893	12,560,744
Union	6,374,362	517,212	43,793	122,498	5,690,859
Van Wert	7,283,044	647,110	64,820	187,735	6,383,379
Vinton	1,978,277	135,464	12,791	69,727	1,760,295
Warren	20,621,203	1,774,066	262,294	388,243	18,196,600
Washington	11,966,800	950,017	112,939	342,515	10,561,329
Wayne	19,960,734	1,761,034	229,828	375,523	17,594,349
Williams	7,581,062	626,069	82,046	240,912	6,632,035
Wood	23,471,088	2,031,669	260,482	353,219	20,825,718
Wyandot	4,602,070	405,083	33,855	116,809	4,046,323
Total	$2,557,650,628	$219,258,654	$33,679,041	$57,948,479	$2,246,764,454

(a) Taxes levied in calendar year 1979 and collected in calendar year 1980.
(b) Represents taxes charged after "tax reduction factors" are applied.
(c) Not applicable to tangible personal property of public utilities.
(d) Reduction is applied to residential and farm real property not exceeding one acre.

TABLE 76

ASSESSED VALUATION OF EXEMPT REAL PROPERTY IN OHIO, BY SELECTED OWNERSHIP CLASSIFICATIONS, CALENDAR YEARS 1976 - 1980

(amounts given in millions of dollars)

	1976(a)	1977	1978	1979	1980
Property under Public Ownership:					
Boards of Education	$1,688.8	$1,761.2	$1,904.4	$2,006.3	$2,052.4
Municipal	961.1	1,042.9	1,167.2	1,319.7	1,356.9
United States	645.2	635.4	704.6	760.8	794.1
State	776.1	866.4	949.5	1,023.4	1,078.0
Counties	401.1	420.8	468.0	497.9	574.2
Park Districts	145.7	156.2	161.1	190.9	185.6
Townships	89.5	94.5	103.1	103.9	101.8
Total	$4,707.5	$4,977.4	$5,457.9	$5,902.9	$6,143.0
Property under Private Ownership:					
Churches	$ 944.5	$1,028.9	$1,130.0	$1,189.8	$1,216.9
Charities	689.1	679.3	785.0	843.6	864.5
Schools and Colleges	485.0	441.1	591.7	555.8	571.3
Cemeteries	77.3	79.0	85.5	92.7	96.4
Tax Abatements(b)	-	-	-	-	94.2
Total	$2,195.9	$2,228.3	$2,592.2	$2,681.9	$2,843.3
Grand Total -- Property under Public and Private Ownership	$6,903.4	$7,205.7	$8,050.1	$8,584.8	$8,986.6(c)

(a) Erie County data not available.

(b) Tax Year 1980 is the first year that data on tax abatements was compiled separately.

(c) Individual totals do not add up to Grand Total because $300,000 of exempt property in Wood County was not classified.

Source: Abstracts filed by county auditors with the Ohio Department of Tax Equalization.

Table 77

ASSESSED VALUE OF EXEMPT REAL PROPERTY COMPARED TO POTENTIAL TAX BASE, BY COUNTY, CALENDAR YEAR 1980

County	Assessed Value of Taxable & Exempt Real & Public Utility Property (Potential Tax Base)	Assessed Value of Exempt Real Property	Percent of Potential Property Tax Base Exempt from Taxation
Adams	$ 289,418,990	$ 12,687,770	4.38%
Allen	732,745,110	79,069,460	10.79
Ashland	309,256,670	34,143,170	11.04
Ashtabula	628,884,070	56,896,590	9.05
Athens	311,033,340	94,012,040	30.22
Auglaize	267,990,550	18,216,560	6.80
Belmont	480,311,030	42,573,310	8.86
Brown	199,525,230	14,744,930	7.39
Butler	1,723,605,730	221,102,760	12.83
Carroll	181,685,290	8,054,540	4.43
Champaign	231,082,760	11,497,930	4.98
Clark	891,459,530	116,583,790	13.07
Clermont	803,252,685	67,947,495	8.46
Clinton	230,057,730	26,323,350	11.44
Columbiana	668,198,640	41,215,230	6.17
Coshocton	379,231,110	21,239,490	5.60
Crawford	328,468,620	N.A.	N.A.
Cuyahoga	11,471,993,765	1,591,048,985	13.87
Darke	344,225,940	21,756,850	6.32
Defiance	274,495,400	20,725,770	7.55
Delaware	449,692,190	62,697,700	13.94
Erie	590,103,020	35,423,240	6.00
Fairfield	654,007,260	50,639,460	7.74
Fayette	210,035,560	10,257,560	4.88
Franklin	6,179,597,023	1,084,110,280	17.54
Fulton	286,056,300	22,192,390	7.76
Gallia	408,849,520	17,919,310	4.38
Geauga	545,479,500	32,888,920	6.03
Greene	850,297,920	193,987,390	22.81
Guernsey	255,291,650	38,285,900	15.00
Hamilton	5,684,561,860	721,292,130	12.68
Hancock	634,968,770	54,135,870	8.53
Hardin	252,731,360	70,019,760	27.70
Harrison	96,882,220	7,208,500	7.44
Henry	219,915,801	15,582,820	7.09
Highland	198,011,840	14,452,740	7.30
Hocking	160,833,360	15,862,240	9.86
Holmes	215,402,310	9,874,930	4.58
Huron	384,915,700	55,992,290	14.54
Jackson	135,878,880	9,327,800	6.86
Jefferson	717,676,210	54,534,250	7.60
Knox	314,767,410	34,264,350	10.89
Lake	1,807,080,510	112,950,750	6.25
Lawrence	310,619,150	21,904,140	7.05
Licking	716,336,790	55,609,200	7.76
Logan	$ 282,401,190	$ 19,321,050	6.04%
Lorain	1,977,933,700	220,606,040	11.15
Lucas	3,181,156,430	389,307,580	12.23
Madison	262,813,370	24,943,200	9.49
Mahoning	1,503,852,900	152,170,600	10.12
Marion	478,752,970	38,209,770	7.98
Medina	943,852,620	65,832,860	6.97
Meigs	123,851,190	9,057,370	7.31
Mercer	268,691,240	23,204,740	8.64
Miami	635,572,460	59,340,830	9.34
Monroe	108,191,900	5,000,790	4.62
Montgomery	3,517,103,570	490,964,300	13.96
Morgan	146,478,460	7,178,250	4.90
Morrow	153,866,026	8,065,870	5.24
Muskingum	443,135,010	60,546,170	13.66
Noble	68,027,850	5,606,480	8.24
Ottawa	443,974,610	28,649,360	6.45
Paulding	164,679,290	9,264,910	5.63
Perry	131,670,163	10,065,980	7.64
Pickaway	303,580,600	30,461,320	10.03
Pike	192,935,820	107,303,160	55.61
Portage	992,911,070	201,951,980	20.33
Preble	250,472,790	16,120,030	6.43
Putnam	225,961,960	15,881,620	7.03
Richland	749,624,930	77,873,950	10.30
Ross	393,075,120	46,871,620	11.92
Sandusky	406,155,110	34,327,980	8.45
Scioto	452,649,880	77,106,940	17.03
Seneca	381,239,040	33,015,110	8.65
Shelby	270,867,260	22,589,780	8.33
Stark	2,646,838,510	275,305,120	10.40
Summit	3,357,896,140	471,483,530	14.04
Trumbull	1,430,910,700	146,313,220	10.23
Tuscarawas	575,233,410	48,727,480	8.47
Union	256,554,530	18,533,150	7.22
Van Wert	22,092,990	20,693,560	9.31
Vinton	68,413,090	5,498,740	8.04
Warren	677,947,480	58,257,120	8.59
Washington	490,054,780	71,349,980	14.55
Wayne	621,470,410	71,594,610	11.52
Williams	244,964,847	17,899,730	7.31
Wood	752,477,900	93,835,890	12.47
Wyandot	254,922,010	96,688,800	24.59
Total	$74,082,169,630	$8,954,274,410	12.08%

N.A. -- Not available.

SOURCE: Abstracts filed by county auditors to the Ohio Department of Tax Equalization.

Table 78

DELINQUENT REAL AND PERSONAL PROPERTY TAXES DUE AND PAYABLE DURING CALENDAR YEAR 1980, BY COUNTY*

County	Delinquent Property Taxes			
	Real And Public Utility	Tangible Personal	Intangible Personal	Total
Adams	$ 186,114	$ 109,520	$ 9,329	$ 304,963
Allen	735,609	311,995	23,089	1,070,693
Ashland	495,402	144,706	1,033	641,141
Ashtabula	1,193,769	719,608	15,749	1,929,126
Athens	487,772	158,487	2,856	649,115
Auglaize	173,741	136,317	4,476	314,534
Belmont	474,161	593,951	4,230	1,072,342
Brown	265,208	43,536	1,355	310,099
Butler	1,775,737	1,781,834	14,324	3,571,895
Carroll	272,330	170,797	713	443,840
Champaign	335,547	57,863	1,078	394,488
Clark	1,062,002	367,699	8,842	1,438,543
Clermont	1,326,102	268,125	5,350	1,599,577
Clinton	287,029	104,889	1,548	393,466
Columbiana	775,252	641,829	9,914	1,426,995
Coshocton	1,138,734	130,625	5,568	1,274,927
Crawford	220,193	184,126	3,161	407,460
Cuyahoga	23,305,524	15,034,626	381,244	38,721,394
Darke	288,116	197,463	16,964	502,543
Defiance	163,581	38,115	7,434	209,130
Delaware	533,620	147,427	70,950	751,997
Erie	661,355	516,079	16,949	1,194,383
Fairfield	374,702	1,242,384	5,892	1,622,978
Fayette	119,495	135,950	292	255,737
Franklin	9,044,927	6,659,763	381,519	15,086,209
Fulton	173,754	51,482	797	226,033
Gallia	136,369	174,473	1,178	312,020
Geauga	687,982	622,946	49,925	1,360,853
Greene	1,022,705	380,075	12,239	1,415,019
Guernsey	386,764	394,431	15,012	796,207
Hamilton	5,053,957	5,322,075	276,534	10,652,566
Hancock	485,141	395,938	24,112	905,191
Hardin	344,127	104,271	912	449,310
Harrison	138,306	52,344	410	191,060
Henry	97,935	104,205	5,233	207,373
Highland	190,712	112,911	1,139	304,762
Hocking	133,102	84,329	297	217,728
Holmes	247,046	323,813	10,773	581,632
Huron	320,862	111,211	1,378	433,451
Jackson	248,947	255,805	16,623	521,375
Jefferson	791,153	269,765	36,912	1,097,830
Knox	450,301	162,216	1,286	613,803
Lake	2,084,604	2,028,571	32,043	4,145,218
Lawrence	538,572	142,398	894	681,864
Licking	747,641	352,121	17,695	1,117,457

County	Delinquent Property Taxes			
	Real And Public Utility	Tangible Personal	Intangible Personal	Total
Logan	$ 298,922	$ 156,906	$ 5,840	$ 461,668
Lorain	2,485,538	2,101,008	67,885	4,654,431
Lucas	4,981,631	3,660,911	148,663	8,791,205
Madison	300,365	68,282	6,584	375,231
Mahoning	7,313,851	3,383,295	29,654	10,726,800
Marion	955,532	236,881	4,977	1,197,390
Medina	1,067,137	732,855	13,842	1,813,834
Meigs	257,180	100,010	-	357,190
Mercer	68,760	167,149	10,883	246,792
Miami	511,631	461,441	7,168	980,240
Monroe	517,545	607,994	110	1,125,649
Montgomery	6,377,164	3,825,973	45,940	10,249,077
Morgan	70,199	18,423	210	88,832
Morrow	419,279	133,265	3,073	555,617
Muskingum	703,037	663,537	10,181	1,376,755
Noble	63,289	38,261	69,152	170,702
Ottawa	830,557	322,364	5,628	1,158,549
Paulding	127,408	86,767	464	214,639
Perry	470,926	150,225	822	621,973
Pickaway	268,202	161,457	1,916	431,575
Pike	270,795	95,197	1,002	366,994
Portage	1,821,062	402,514	12,526	2,236,102
Preble	441,356	63,487	3,027	507,870
Putnam	129,429	24,993	8,667	163,089
Richland	1,792,241	2,098,008	12,392	3,902,641
Ross	371,377	325,059	13,057	709,493
Sandusky	344,216	88,833	1,304	434,353
Scioto	356,708	99,220	1,874	457,802
Seneca	255,988	228,454	13,543	497,985
Shelby	152,272	38,002	6,774	197,048
Stark	2,637,378	1,311,283	99,574	4,048,235
Summit	7,991,058	2,499,673	75,572	10,566,303
Trumbull	4,105,992	1,779,732	35,640	5,921,364
Tuscarawas	516,063	362,079	3,334	881,476
Union	337,622	72,245	4,883	414,750
Van Wert	263,109	8,876	168	272,153
Vinton	53,984	109,751	284	164,019
Warren	921,719	280,994	15,340	1,218,053
Washington	362,734	50,824	459	414,017
Wayne	565,045	259,893	12,219	837,157
Williams	138,615	50,007	276	188,898
Wood	584,789	554,178	27,302	1,166,269
Wyandot	87,485	223,282	4,022	314,789
Total	$111,565,192	$69,446,682	$2,285,482	$183,297,356

*As reported on 1979 abstracts of the duplicates of real and public utility property and the 1980 abstracts of the duplicates of tangible and intangible personal property.

Source: Abstracts filed by county auditors with the Ohio Department of Tax Equalization.

Table 79

NUMBER OF HOMESTEAD EXEMPTIONS GRANTED, AVERAGE
REDUCTION IN TAXABLE VALUE, AND TOTAL AMOUNT OF REDUCTION
IN TAXES, BY COUNTY, TAX YEAR 1979

County	'Number of Homestead Exemptions Granted	Average Reduction in Real Taxable Value	Total Reduction in Real Property Taxes
Adams	1,176	$2,623	$ 92,760
Allen	3,801	2,959	455,296
Ashland	1,880	3,275	266,293
Ashtabula	4,675	3,260	715,255
Athens	2,148	2,572	266,841
Auglaize	1,943	3,076	107,177
Belmont	4,129	3,369	573,153
Brown	1,419	3,609	199,920
Butler	7,809	3,468	1,086,778
Carroll	1,196	3,077	157,976
Champaign	1,239	2,910	142,970
Clark	5,168	3,107	772,044
Clermont	3,059	3,453	498,414
Clinton	1,501	2,685	175,926
Columbiana	5,371	2,818	635,517
Coshocton	1,644	3,106	193,684
Crawford	2,276	3,195	162,559
Cuyahoga	54,132	3,197	12,036,577
Darke	2,338	2,944	268,271
Defiance	1,404	3,121	170,617
Delaware	1,349	3,356	90,231
Erie	2,931	3,505	520,307
Fairfield	3,900	2,975	553,178
Fayette	1,060	3,223	134,505
Franklin	19,691	3,200	2,539,461
Fulton	1,469	3,227	217,230
Gallia	1,187	2,779	105,500
Geauga	1,451	3,224	251,700
Greene	2,683	3,017	203,750
Guernsey	2,528	2,976	323,338
Hamilton	25,346	3,508	4,345,142
Hancock	2,052	3,047	260,273
Hardin	1,314	3,032	165,514
Harrison	977	2,501	101,885
Henry	1,262	2,811	154,329
Highland	1,805	3,062	160,486
Hocking	1,337	2,702	142,251
Holmes	666	2,780	40,148
Huron	2,439	2,695	303,485
Jackson	2,002	2,861	204,869
Jefferson	4,229	2,695	475,395
Knox	2,161	3,072	267,081
Lake	5,081	3,291	1,038,602
Lawrence	3,349	2,789	327,101
Licking	4,386	3,143	542,220
Logan	2,021	$2,769	$ 265,611
Lorain	9,122	3,337	1,654,626
Lucas	17,112	3,139	2,799,115
Madison	1,022	3,184	68,716
Mahoning	12,283	3,015	1,684,708
Marion	2,569	3,272	379,132
Medina	2,531	3,273	471,742
Meigs	1,529	2,146	115,487
Mercer	1,365	3,009	155,404
Miami	3,491	3,120	534,064
Monroe	853	2,324	72,396
Montgomery	15,373	2,881	2,498,100
Morgan	768	2,691	72,686
Morrow	1,107	2,944	64,793
Muskingum	3,866	2,900	466,486
Noble	603	2,561	46,737
Ottawa	1,860	3,251	276,661
Paulding	768	2,888	106,860
Perry	1,880	2,573	240,309
Pickaway	1,271	3,075	152,982
Pike	1,314	2,492	162,040
Portage	3,385	3,354	646,439
Preble	1,397	3,077	84,970
Putnam	1,310	2,909	143,218
Richland	4,823	2,965	650,930
Ross	2,657	2,852	352,140
Sandusky	2,460	3,311	321,558
Scioto	4,834	2,555	529,317
Seneca	2,199	3,200	134,478
Shelby	1,386	3,076	171,861
Stark	14,256	3,296	2,137,661
Summit	18,479	3,274	3,272,142
Trumbull	8,526	5,357	1,295,765
Tuscarawas	4,654	2,877	576,148
Union	1,005	2,872	61,952
Van Wert	1,441	2,967	188,050
Vinton	671	454	66,092
Warren	2,334	3,306	380,864
Washington	2,802	2,937	338,425
Wayne	2,625	3,251	377,811
Williams	1,673	3,093	253,132
Wood	2,824	3,021	176,763
Wyandot	901	2,979	112,586
Total	374,313	$3,175	$57,006,966

SOURCE: Ohio Department of Tax Equalization.